

The China Weekly **REVIEW**

報論評氏勒密

A Weekly Newspaper Established in 1917

"Savages With Machineguns" --- U. S. Marines and Britons to Retaliate

OTHER ARTICLES IN THIS ISSUE

**Soviets Watch Japanese Finances—Expect "and Hope" for
Early Economic Collapse**

Collapse of Cotton Industry Would Bankrupt Japan

**Opening of Nine-Power Conference Likely to Be Postponed
Owing to Belgian Cabinet Crisis**

**Outstanding Events from the Beginning of the War
in North China**

**Chinese Withdraw from Chapei—Flag of Rising Sun Flies
Over Railway Building**

The Paramount Question at the Brussels

Conference By Hubert S. Liang

What Do the Chinese Hope For from the

Brussels Conference? By C. Y. W. Meng

Shanghai's Woeful Lack of Information About

Shanghai By Frank Gapp

Can China Stop Japan?

. By Lin Yutang

SATURDAY, OCTOBER 30, 1937

VOLUME 82, NUMBER 9

THIRTY CENTS A COPY

(In Shanghai)

FORTY CENTS ELSEWHERE

*Clear, life-like pictures
with this FAST-ACTING Film*



When you have Kodak Verichrome Film in your camera, you're ready to take clear, vivid snapshots that it will be a joy to have. This double-coated, fast-acting film gives pictures of extraordinary brilliance. Gets the detail...on dark days or fine... On the next call at your Kodak dealer's, ask for Verichrome, the new film in the yellow box with the checkered stripes. You will find that it makes pictures you heretofore have thought were next to impossible.

Kodak VERICHROME Film

EASTMAN KODAK COMPANY

185 YUEN MING YUEN ROAD, SHANGHAI

For Fast and Efficient Radio Telegraph Service to all Parts of the World Send

RADIOGRAMS

"Via RCA"

RADIO IS THE QUICKEST AND MOST RELIABLE MEDIUM FOR ALL TELEGRAPHIC COMMUNICATIONS. IT HAS BROUGHT ABOUT RATE REDUCTIONS AND INAUGURATED NEW CLASSES OF SERVICE TO MANY COUNTRIES. . . .

In CHINA file your messages
"via CGRA—RCA"

(Chinese Government Radio Administration)
R.C.A. Communications, Inc.

R.C.A. Communications, Inc.

(A Radio Corporation of America Service)

HEAD OFFICE FOR CHINA:— TEL. NO.
201-202 Sassoon House, Shanghai 19251

AGENCIES:—

Tientsin: 65 Consular Road Tel: 31430
Hankow: N. K. K. Bldg. 1 Bund Tel: 31773
Hongkong: Dina House Tel: 30692

**In the United States Court
for China**

In re.	Cause No. 4097
ESTATE	
of	Special Proceedings
VERA FLORA	No. 1976
ZIMMERMAN,	
Deceased	NOTICE

Pursuant to an Order of said Court notice is hereby given to all persons having claims against the estate of VERA FLORA ZIMMERMAN, deceased, to present the same with vouchers to the undersigned on or before May 1st, 1937, and all persons owing debts to said deceased are hereby notified to make payments of the same in due course to the undersigned.

Myron Wiener
c/o Rodger & Co.,
320 Szechuen Road,
Shanghai, China.

Shanghai, China.

報論評氏勒密

The China Weekly

REVIEW

Formerly Millard's Review

中華郵政特准掛號立券之報紙

Registered at the Chinese Post Office as a Newspaper
for transmission with special marks privileges in China

Volume 82

Shanghai, China, Saturday, October 30, 1937

Number 9

THE CHINA WEEKLY REVIEW

Formerly Millard's Review

Cable Address "REVIEWING SHANGHAI"

PUBLISHED AT NO. 160 AVENUE EDWARD VII, SHANGHAI, CHINA,
BY MILLARD PUBLISHING COMPANY, INCORPORATED BY THE LAWS
OF THE STATE OF DELAWARE, UNITED STATES OF AMERICA.

J. B. POWELL, Editor and Publisher; GEO. W.
MISSEMER Asst. Editor; FRANK GAPP,
Financial Editor; TRYPHON V. KU, Advertising
Dept.; F. K. CHAO, Business Dept.

YEARLY SUBSCRIPTION, FIFTY-TWO ISSUES, TWELVE DOLLARS
(CHINESE CURRENCY) IN ADVANCE, POSTAGE INCLUDED IN CHINA
AND JAPAN. IN THE UNITED STATES AND FOREIGN COUNTRIES EIGHT
DOLLARS U.S. CURRENCY. REMITTANCES FROM OTHER COUNTRIES
THAN CHINA AND THE U.S. CAN BE MADE BY INTERNATIONAL
MONEY ORDER. ENTERED AS SECOND-CLASS MATTER IN THE CHINESE
POST OFFICE AT SHANGHAI IN MAY 1917.

Contents

Editorial Paragraphs

Collapse of Cotton Industry Would Bankrupt Japan	177
"Savages With Machineguns"—U.S. Marines and Britons to Shoot If Attacked.....	178
Soviets Watch Japanese Finances—Expect "and Hope" for Early Economic Collapse.....	181

Special Articles

Shanghai's Woeful Lack of Information About Shanghai.....By Frank Gapp	184
The Paramount Question at the Brussels Con- ference.....By Hubert S. Liang	185
Chinese Withdraw from Chapei—Flag of Rising Sun Flies Over Railway Building.....	186
Can China Stop Japan? By Lin Yutang	189
Outstanding Events from the Beginning of the War in North China	190
What Do the Chinese Hope For from the Brus- sels Conference?.....By C. Y. W. Meng	192
T. V. Soong Says China Will Be Able to Resist for Two Years, Even With Shanghai Lost.....	193
Japan's 1938 Budget to Be Drafted on Full War-Time Basis.....	195
Opening of Nine-Power Conference Likely to Be Postponed Owing to Belgian Cabinet Crisis.....	197
Men and Events	202
New Books of Interest in the Far East	203

CONTENTS OF PREVIOUS ISSUES OF THE CHINA
WEEKLY REVIEW MAY BE FOUND IN THE "INTER-
NATIONAL INDEX TO PERIODICALS," COPIES OF WHICH
ARE ON FILE IN MOST STANDARD LIBRARIES.

COLLAPSE OF COTTON INDUSTRY WOULD BANKRUPT JAPAN

JAPANESE economic imperialism is largely based upon the cotton manufacturing industry. Previously Great Britain had a monopoly of Chinese and other Oriental markets, but the clever Japanese studied the business, bought British machinery, improved it, developed more efficient marketing and financing methods, transported the raw cotton and finished cloth on government subsidized steamers and finally wrested control of the industry from the mills of Manchester. Also, and this is an exceedingly important element, the Japanese developed a system of peasant labor control which has enabled Osaka to produce thread and cloth at a fraction of the costs of Manchester where labor has long been unionized.

While Americans once sold considerable cotton cloth in Manchuria and Korea, their chief interest has been in supplying raw cotton—first to the mills of Manchester and later to the Japanese mills in Osaka and on the China coast. It was obvious that rapidly increasing Japanese cotton purchases in the United States should have an important effect on the economy and politics of the country. Now we read that while the present administration in Washington generally sympathizes with China, the Department of Agriculture, headed by Secretary Henry A. Wallace, comes very near being pro-Japanese. The reason for this situation is that a slackening of Japanese purchases, in the face of a greatly increased production, might result in a break in cotton prices and this would greatly increase the problems of crop and price control by the Government.

The Japanese, realizing their power as the greatest single purchasers of American raw cotton have been quick to use this weapon as a means of bringing pressure on the Washington Government. And the Government has been in a difficult position because cotton is produced in the southern states which are the bulwark of the Democratic party. Southern senators and representatives might not understand the intricacies of

the Far Eastern crisis but they would respond quickly to a suggestion that economic and political pressure on Japan might have an adverse effect on Japan's purchases of American cotton.

Of course they do not know that a chief reason for Japan's aggression in China is to obtain military and political control over China's cotton producing territories so that Japan will not be dependent upon American cotton.

Japan's cotton industry is a vast swollen over-expanded enterprise. Tens of millions of yen have been expended in constructing mills along the China coast in order to take advantage of China's cheap coolie labor. Since the beginning of the present war the Chinese have destroyed most of the Japanese mills here, but for some peculiar reason none of the large mills at Tsingtao have been molested—in fact they are carefully guarded by the Chinese controller of the Port of Tsingtao, Admiral Shen Hung-lieh. In Tientsin where the Japanese are developing another important cotton manufacturing base—because labor is also cheap and docile there—the Japanese army is in control, hence they do not have to worry about damage to their mills.

Cotton manufacturing is the largest modern industry in Japan and constitutes the most important item in the country's imperialistic economy. Japan's war in China is being financed largely from the profits (present and expected,

of the cotton industry. But in order to pay big dividends the Japanese cotton industrialists must be assured of two things: cheap raw cotton from the United States and unrestricted markets for the sale of the finished product. At present the Japanese have practically lost the China market and most other Oriental nations or colonial dependencies have restricted Japanese sales. If the U. S. Government, or rather, Secretary Wallace, succeeds in boosting the price of raw cotton through restriction of acreage or other means, it might have the effect of an economic boycott in Japan as it would greatly increase the cost of production and that would make it more difficult for Japan to compete with Manchester. The question is an interesting and complicated one, but a collapse of Japan's cotton industry would be the forerunner of a general economic collapse of the country's entire financial and commercial structure.

The fact that the Japanese cotton industry is in a critical condition was indicated in recent regulatory legislation restricting purchases of the raw product as well as home consumption of textiles. Americans and also the Chinese should be interested in the report that Japan's increasingly friendly and intimate relations with Mussolini have a foundation in cotton—in Japan's expectation of finding large supplies of cheap cotton in Abyssinia.

"Savages With Machineguns" — U. S. Marines and Britons To Shoot if Attacked

THE quotation in the heading depicting the Japanese as "savages with machine-guns" is not our own, but was the creation of Eugene Chen, who served as Foreign Minister of the radical Hankow Kuomintang administration in 1927. Mr. Chen is now residing abroad and his voice has not been heard in China for many months, but we are reminded of his reference to the Japanese in connection with the recent Japanese machine-gunning of a British outpost and a number of foreign horseback-riders, including women, on Keswick Road which is well within the foreign defense lines. The Japanese aviator undoubtedly had a map of this district, supplied by his superior officers, in his plane at the time he was circling about trying to murder everybody within reach of his machinegun. He did succeed in killing one British soldier and in killing and wounding several unarmed Chinese civilians who happened to be walking in the vicinity. He also killed or wounded a number of horses, the owners of which had sought safety by hiding in ditches along the road. Everyone who saw the antics of this particular Japanese aviator, including the writer of these paragraphs, was convinced that

his actions were deliberate and that he was well aware that he was not shooting at armed Chinese troops. The later statement by the Japanese military spokesman that the Japanese aviator thought he was shooting at retreating Chinese troops, added insult to injury because there were no retreating Chinese troops in the vicinity. The foreign horseback-riders, members of a local riding club, all wore brightly colored sweaters; hence were easily distinguishable to an aviator flying at not more than 100 feet above the ground.

The fact that the official Japanese propaganda news agency (*Domei*) circulated a report shortly after the incident stating that Japan "was prepared to make due compensation to the British authorities for the Keswick Road incident," showed that the Japanese naval authorities were worried over possible repercussions. And well may they be worried because both the British and American forces, and probably also the French, have now received orders to reply with gunfire in the event of further attacks.

The action of the Japanese aviator on Sunday afternoon was the culmination of a series of somewhat similar acts by other Japanese aviators

who had dropped bombs, one of dangerous incendiary character, in the area of the western residential district which is patrolled by the American Marines. In the case of one bomb, filled with a mixture of white phosphorus and sulphur, which landed on Sinza Road, six Chinese civilians were killed, more than 50 seriously wounded, chiefly by bad burns, and two Indian Sikh policemen were also badly burned. The Japanese also added insult to injury in this instance by issuing a statement through their press bureau that the object was not a bomb of incendiary character but was an emergency gasoline tank which had become dislodged from one of their planes "while flying along the border of the Chapei district." This was, of course, a lie as also was the later statement of their military spokesman that the American authorities "had accepted the gasoline tank explanation." Admiral H. E. Yarnell, Commander-in-Chief of the U. S. Asiatic Fleet, in his later protest to the Japanese commander, referred to the Japanese missiles as "bombs," which they were.

Credit should be given to the Japanese Commander who made no reference in his official statement to the ridiculous "gasoline-tank" story which was originated in the Japanese press-contact bureau maintained in the Metropole hotel. The story obviously had no basis in fact. If the Japanese are sincerely interested in improving their relations here, for which purpose they have sent a high diplomatic official to this city, they should begin by cleaning up their press-contact bureau which, due to the circulation of falsehoods and the insulting attitude of interpreters and spokesmen has been responsible for much of the animosity aroused in foreign circles. The real causes for foreign animosities go deeper, but the press bureau has made matters worse by the cynical attitude of some of the officials appointed to handle this important work.

CHINESE THE REAL SUFFERERS

But while the Shanghai foreigners have been seriously concerned at these incidents and the serious threat they hold for the future, it has been the helpless Chinese non-combatants, tens of thousands of defenceless Chinese men, women and children residing in hundreds of cities, towns, villages and hamlets who have been the real sufferers from the activities of Japanese airplane assassins.

The *Osaka Mainichi*, on October 15, boasted that Japanese planes had bombed more than 60 places "of military importance" in the two months which had elapsed since the initial bombing of Nanking on August 15. The cities which had been bombed (to Oct. 13) as listed in the *Mainichi* were as follows:

Shantung Province

Hanchuang, Tsaochuang, Yenchow, and Tsining.

Kiangsu Province

Nanking (including Pukow), Shanghai, Kuyung, Wusih, Kiangyin, Soochow, Kunshan, Kiating, Taitang, Sungkiang, Suchow, Yangchow, Nantsung, Haichow, Lienyun, Huaiyin, and Nanhsiang.

Chekiang Province

Hangchow, Ningpo, Haining, Kienkiao, Kashing, Chuki, Kinhua, Chuhsien, and Shaohing.

Fukien Province

Amoy, Lungki, and Kienow.

Kuangtung Province

Canton, Sheklung, Fumoon, Waiyeung, Yingtak, Kukong, Lokchong, Kityang, Chaoan, Swatow and Whampoa.

Anhui Province

Wuhu, Kuangteh, Anking, Chuhsien, Pengpu, and Shuhsien.

Kiangsi Province

Nanchang, Shangjao, Yukiang, Tsingkiang, and Kiukiang.

Hupei Province

Hankow (including Wuchang and Hanyang) and Siaokan.

Hunan Province

Chuchow.

This list of towns, few of which have any possible military significance, probably has been doubled by this time, particularly when the dozens of villages and hamlets in the Shanghai area which have felt Japanese frightfulness, are included in the list. On Sunday afternoon (Oct. 24) the writer observed about two dozen planes, ten of them twin-motored monoplanes carrying 6-bombs each, which were engaged in bombing the farm villages, most of them one-family-and-relatives hamlets, located in the farming and gardening area stretching northward from Soochow creek. A foreigner who had observed the bombing in the morning stated that 18 planes had been engaged from daylight to noon and that approximately 200 bombs had been dropped, most of them of the largest variety, weighing in excess of 200 pounds. The number of bombs dropped in this area in the afternoon probably exceeded 150, making a total of 350 in a territory that could easily be observed by the naked eye. The Japanese aviators staged a veritable field day of destruction, going through most of the antics they would perform had it been a public exhibition for entertainment purposes. Squadrons of three or four planes would "power-dive" from high altitudes dropping missiles of great weight and explosive character upon Chinese farm-houses made of bamboo and mud-plaster with tile roofs, the whole structure probably not costing more than the equivalent of \$40 or \$50 in American currency. Fortunately most of the occupants of these farm-houses had evacuated, or had become wise in the art of dodging. But despite the precautions one observed a few wounded civilians, usually elderly women, making their way or being carried toward the Settlement. At one place on Soochow Creek some villagers were observed burying five civilians in one grave, a crater created by a Japanese bomb.

Some idea of the strength and power of the Japanese bombs was provided by the size of the craters produced by bombs dropped at the corner of Pearce and Rubicon roads. Here the bombing was of some military significance because the Chinese have a sand-bag outpost on the bank of the creek and in addition they have constructed a trench system in the vicinity. A half dozen bombs dropped here left craters ranging from 12 to 18 feet across and probably 6 or 8 feet deep. But the sand-bag redoubts on the corner were missed entirely while the trenches that caved in were quickly repaired. None was injured on this occasion. The villages along this creek paid a heavy toll in earlier bombings, but now most of the villages are deserted, except for a few elderly persons. But many farmers and gardeners still hang on and continue to work in their fields, even when bombs are dropping within a few hundred yards. The foreign and Chinese populations of Shanghai can thank these farmers and gardeners for "hanging-on" because they have kept this city from starving. The long strings of peasants with baskets of vegetables, observed along the outlying roads, tell the real story of the hardihood of the Chinese "sons and daughters of earth."

The headlines over the reports of death and destruction published in the local papers tell their own stories of the tragedies which have become commonplace. For example, "JAPANESE BOMB SUNGKIANG, KILL 200, WOUND 400—FORTY KILLED IN ONE DUGOUT SHELTER." But of all the stories the following from the correspondence column of the *North China Daily News* was most fully imbued with heart interest:

SIR,—I am a business man located at Chunghuamen, Nanking and have nothing whatever to do with the military objectives or anti-Japanese activities if any in this part of the Capital. So also with those killed I mention below. On August 15 warbirds from our friendly Japanese neighbours bombed a laundry house next block, creating a small pond with the launderer, his wife and three children all under eight torn into pieces. My store was machine-gunned from the air. On August 26 night a relative of mine, an egg dealer, was killed with forty others and houses were destroyed in Bahutang, a peddler's section. At the same evening a foreign-styled building owned by a French educated Chinese teacher near by was bombed three times, having one servant knocked to death with his intestines hanging on the family tree. On the Mid-autumn festival day eighteen members of a family were all slaughtered at a banquet celebrating their happy reunion, forgetting that their Japanese friends would greet them with an aerial bombardment. I have seen other destructions. But even those described above are not reported in your paper. Please record them, and see if anyone can contradict.

YAO CHUAN-WU.

Nanking, Oct. 21.

The Chinese withdrawal from the Chapei sector on Wednesday afternoon provided the Japanese airmen with another opportunity for slaughtering non-combatants. The armed Chinese forces withdrew across the Soochow creek bridges at Jessfield under cover of darkness, hence were not molested by the Japanese airmen.

Thousands of Chinese civilians, chiefly women and children, packed the roads and single track railway bridge crossing Soochow creek on the following morning. The opportunity for slaughter was too tempting to resist apparently for a Japanese pilot repeatedly flew low over the bridges and machine-gunned the crowds of terrorized people. On one occasion he left a dozen dead and an equal number of wounded, including several women and children, lying on the bridge. Similar scenes were enacted on most of the outlying roads.

No wonder the crowds of refugees clapped their hands and yelled in glee when two Japanese planes, one just emerging from a power-dive, collided and dropped in flames and another dropped with a loud crash and explosion after being struck by anti-aircraft bullets fired from guns in the vicinity.

That the Japanese have paid a heavy price for these activities is obvious, heavy price in smashed planes and killed airmen, the exact number being unknown. Nanking claims that more than 100 Japanese planes, some of the largest types, have been destroyed; in fact there is a heap of wreckage in Nanking consisting of broken parts of Japanese planes which is almost unbelievable while the retrieved Japanese engines almost fill a courtyard. Nanking also has a considerable colony of Japanese pilot-prisoners who fear to return to their commander because of the feudalistic military injunction that any Japanese taken prisoner must commit hara-kiri! The following from the *Osaka Mainichi* tells its own story—"First Lieut. Tokumori Nambu, 34, of the Japanese Navy, a veteran of many Chinese air-raids was officially declared missing... he was last seen about 25 miles east of Nanking during an air-raid on that city on Oct. 12... Lieut. Nambu was a native of Yoshiemura, Toyama prefecture... he is survived by his aged parents, eight younger brothers and an elder sister."

But Japan's greatest loss, heavy though it has been in men and machines, has not been in material things, but in the esteem of the people of the world, millions of human beings who read newspapers and magazines and listen to radio broadcasts and have shuddered at the accounts of Japanese frightfulness and have come to regard the Japanese airmen as "savages with machine-guns." It is this reputation which the Japanese will never live down, at least not until present generations have passed from the earthly scene. It probably is a feeling of guilt on the part of Japan's leaders which has been responsible for recent reports in the Japanese newspapers expressing fear that some enemy, possibly the Soviets, will ultimately give the Japanese a taste of the terror they have spread among the defenseless Chinese. The Japanese also have come to realize that their

large cities, particularly Osaka and Tokyo, are more vulnerable and susceptible of destruction by air-bombing than has been the case of Chinese cities and towns bombed by the Japanese. Japan's fear reached such a high point early in September that the authorities of Tokyo ordered every house-holder to paste up one room so that poison gas could not seep into it. Most elaborate anti-air-raid maneuvers were staged—apparently in imitation of everyday routine activities in Shanghai and other Chinese cities resulting from actual raids by Japanese planes. One would think that the terror which prevails in Japan over possible Soviet air-raids would cause the Japanese leaders to give serious thought to the consequences

of their activities on this side of the Yellow Sea. Some idea of the feeling created abroad regarding Japanese aviation activities was conveyed by the following which appeared in the *Honolulu Star-Bulletin*:

The common general feeling is one of indignation against Japan and the suggestion is frequently made that Tokyo should be given a taste of what Shanghai and the cities and villages of the back country have endured. Though a natural reaction, the suggestion is not one with a sound military basis.

Massacre is not war nor does it win wars. War is the destruction or rendering ineffective of the armed forces of the enemy—not indiscriminate slaughter of noncombatants.

Japan is finding herself checkmated in real war and in futility is resorting to mass murder. This cannot win the war, but it can lose Japanese any world respect she previously enjoyed.

Soviets Watch Japanese Finances—Expect “and Hope” for Early Economic Collapse

WHILE the Soviets have signed a non-aggression pact with China, which action constituted a gesture of friendliness and sympathy toward this country, the Russians have done little else to assist the Chinese in their struggle against Japanese aggression. The Soviet Union's fear of a Japanese attack, or combined Japanese and German attacks launched simultaneously on her eastern and western borders, apparently has been sufficient to prevent the Russians from making any moves, even to the extent of contributions toward Chinese Red Cross and other relief funds similar to charitable campaigns in the United States and various European countries, particularly Great Britain and France.

But while the Russians are sympathetic toward the Chinese they do not close their eyes to the practical side—that the Japanese will probably break their necks in China and thus the Soviet Union will be spared the expense and pain of a serious war. The consensus in Moscow apparently is that Japan's economic structure, weakened by the Manchurian interlude and the world economic crisis, will crumble under the pressure placed upon it by the clash with Nanking's (unexpectedly) well trained and well equipped armies. Pointing to Japan's chronic budgetary deficits, to her annual unfavorable balance of trade, to her lopsidedly militarized industry, to the poverty of her workers and peasants, observers in Russia believe that a major economic catastrophe is inevitable.

Can Japan wage a protracted war? Can the financial crisis be avoided? How much did Japan's six years' aggression in China cost her taxpayers? Can Japan increase further her national debt of Y.14,000,000,000? Will anyone, finally, help her in her hour of need?

Apparently in answer to Russian statements about Japan's approaching bankruptcy, the Jap-

anese Vice-Minister of Finance, Dr. Ota, declared in the course of a speech before the Osaka Chamber of Commerce that while Japan's national indebtedness had passed the “danger” point, Y.10,000,000,000, the country's national income was Y.11,200,000,000, hence the nation should be able to stand a domestic war debt of Y.40,000,000,000. However, the present currency inflationist tendencies in Japan belie the finance official's statement.

The Soviet *Tass* agency recently issued a report from London apparently based on articles published in the *Financial News* showing how stocks in the South Manchuria Railway (chief organ of Japanese aggression) had dropped 10%; Nippon Yusen Kaisha, 18% Teikoku Rayon, 26%. Japan's adverse trade balance, despite stringent restrictions of imports had increased to Y.777,000,000 since the first of January. Japanese industrialists, in their mad drive to sell goods abroad had cut prices below costs of raw materials—which means that the differential must be made up by further drastic cuts in wages of Osaka workers.

The answer to all these questions is supplied by Prof. G. Boldyrec, Soviet economist, in *Izvestia*, official organ of the Soviet Government. Says the Russian expert:—

The vicious war which the Japanese imperialists have been waging in China for the past few years has entered a new stage. After the seizure of Manchuria, Jehol and Chahar, which were regarded by the Japanese military and the Japanese financial oligarchy not only as colonial loot, but also as a springboard for the projected war against the Outer Mongolian Soviet Republic and the U.S.S.R., the Japanese imperialists are striving to grasp all of North China in their hands. However, unlike the situation which accompanied the invasion of Manchuria, the Jap-

ese saber-rattlers are encountering this time a determined and powerful opposition of the Chinese army and people.

Today Japan is meeting with the organized resistance of the Chinese army, a portion of which is equipped with up to-date weapons. It is obvious, therefore, that unless the Japanese military-fascist clique abandons its policy, it must expect a prolonged war, full of dangerous surprises.

But can Japan wage a protracted war? Can she stand the burden of an extended military campaign, which will put an extraordinary strain on the economic and financial resources of the entire nation?

It is generally known that Japan's economic structure is extremely weak. The reasons for this are as follows:

1. Shortage of the most important raw materials and fuel (cotton, rubber, iron ore, coal, oil etc.);
2. Extreme backwardness and poverty of her agriculture;
3. Subordination of her industry to foreign markets.

But the weakest link of Japan's economy is her national finances, chronically overstrained in recent years.

With increasing frequency one hears warnings of the inevitable catastrophe that will shake the finances of the island empire. The appearance of ominous signs of this catastrophe coincides with the world economic crisis (whose effects on Japan were exceptionally severe) and also, even to a greater extent with the commencement of the armed invasion of China and a feverish preparation for extensive aggression in East Asia.

Soon after Japan's invasion of China in Sept. 1931, Nippon went off the gold standard. These are the two factors which led in the following years of crisis and depression to a peculiar specifically military-inflationary situation. The latter left its mark on the development of the Japanese economy and led to an unprecedented strain on the State finances.

If we take into account those purely military expenditures which are included in the budget in the guise of appropriations for non-military ministries, the percentage of funds allotted to military needs reaches 70 per cent of the entire budget.

Those are the financial results of the first stage of Japan's aggression in China. The commencement of hostilities in North China, Shanghai and other parts of China has already resulted in greatly increased military expenditures.

During the two months that followed the Japanese attack on the Chinese troops at Lukouchiao, the Japanese Government has been compelled to seek additional appropriations twice,—the first time for Y.96,000,000; the second time, for Y.442,000,000. And, of course, this is only the beginning. The Japanese press itself estimates the sums required for financing hostilities in China until the end of the current year at about Y.2,000,000,000.

Naturally, a question arises—how do the Japanese saber-rattlers intend to cover the colossal cost of their new military adventure in China?

The normal source of revenues in any capitalist budget is taxes. But in the Japanese budget, taxes in recent years formed only a little more than a half of the entire national income. Thus, in the 1936-37 budget, tax income formed only 54 per cent of the revenues. The tax receipts in Japan are increasingly lagging behind the growth of the national budget, pushed to new heights by the feverishly growing military expenditures.

It is certain that with the present number of taxpayers and with the maintenance of the present system of proportional taxation, taxes can yield no more than they do today. The tax press is screwed in Japan to the limit.

The present Cabinet of Konoye inherited from its predecessors, together with an unprecedented three-billion yen budget, an extremely difficult task,—to extract in the current year from the pauperized Japanese peasants, living in the conditions of virtual serfdom, and the equally impoverished Japanese workers, oppressed by cruel exploitation, Y.250,000,000 in taxes,—in addition to Y.1,250,000,000 that is already being collected.

The results of the new tax measures were not yet clear when the Ministry of Finance was obliged to find new sources of income in connection with the aggression in China.

The Japanese Government is now facing a dilemma, which is being widely discussed by the Japanese press: whether taxes or loan should be relied upon to cover the huge expenditures for the military campaign in China.

But, in fact, the Japanese ruling clique has no choice between one or the other of these financial measures. In view of the extreme strain put on the Japanese national finances, the Konoye Cabinet is compelled to seek recourse to both of these sources of revenue.

Increases in some of the existing taxes, as well as the introduction of a series of new ones, have already been announced. All categories of the income tax and the levy on high incomes are being raised. Dividends and income from national and municipal bonds are being taxed. Finally, new duties are being introduced.

However, the ineffectiveness of these new tax measures is demonstrated by the fact that with the urgent need for more than half a billion yen in additional appropriation the new increased taxes are expected to yield before the end of the budgetary year only about Y.100,000,000.

The Government's desperate efforts to extract more than Y.1,500,000,000 by means of taxation are explained only by its desire to confine within certain limits the ever-mounting budgetary deficits.

Of course, the latter are a customary phenomenon in Japan. The balance between the state expenditures and the ordinary revenues, designed to cover them, has been lost long ago. In 1931/32, the regular revenues still covered 90% of the state expenditures; in last year's budget the percentage fell to 63%.

The direct consequence of lost balance in the Japanese national budget was a chronic deficit which necessitated a recourse of the Japanese Government to extraordinary sources—continuous and extravagant loans. Such is the clinical chart of the malady from which Japanese national finances are suffering.

It is interesting to contrast the picture of the growth of Japan's national debt with the increase of her budgetary deficits.

During the six-year war in China, Japan's budgetary deficits totalled Y.4,208,000,000. In the same period of time accretion of national debt reached Y.4,619,000,000.

Such are apparent results of the Manchurian adventure.

It would, however, be erroneous to think that this now debt was entirely the result of her financing of hostilities in Manchuria and Inner-Mongolia, although the appropriations for this purpose, which can be traced in officials documents, reach Y.1,000,000,000.

About three-fourths of the new debt was used for preparation for a "major" war; rearmament of the troops; expansion of the navy and the air force; and accumulation of war supplies, raw materials etc.

But this leads to the following conclusion: not only the relatively unimportant "minor" war, but also the preparations for a "major" war, have thus far been conducted on credit, on borrowed funds.

How long can this situation last?

At the beginning of the current budgetary year, the Japanese national debt, together with the indebtedness of local organs and the Treasury's short-term obligations, equalled Y.13,498,000,000. The interest alone on this enormous debt reaches annually about Y.600,000,000.

In connection with the deficit in the 1937/38 budget, the Government intended to borrow Y.965,000,000,000.

Between 1931-32 and 1937-38 budgetary years, Japan's national expenditures increased from Y.1,476,900,000 to Y.3,410,000,000 (including the additional appropriations in connections with the hostilities in China). The percentage of the appropriations for military needs grew within the same period of time from 30.8 per cent to 57.3 per cent, or, in absolute figures, from Y.454,600,000 to Y.1,955,000,000.

The six-year "minor" war in China and the preparation for a "major" war have, as we can see, caused colossal perturbations in the Japanese budget. The figures for military expenditures given above are merely direct budgetary appropriations, granted in accordance with the estimates of the War and Navy Ministries. Combined with the new extraordinary expenditures, this amount has now been increased to Y.1,370,000,000. This figure is from 1½ to 2 times of the usual loan operations of the Government.

Meanwhile the money market is showing signs of oversaturation with State loans. This can be observed in both the frequent fluctuations in the value of the bonds and also the open dumping of Government loans by many banks.

The Bank of Japan is compelled to shoulder an ever-growing portion of the Government's obligations. In January 1936, the Bank of Japan had in its possession Y.591,000,000 worth of unsold Government bonds. At the end of the semester, this figure had reached Y.854,000,000.

The disastrous fall in the value of Government securities, which followed the first news of the hostilities in North China, and, once again, when it became clear that the struggle between the Japanese imperialists and the Chinese people would be protracted, was significant.

The main weakness of the Japanese Government with regard to national credit lies in the fact that the bondholders are the relatively few investment and savings banks. The money invested in state loans is the money of bank depositors.

It is easy to imagine the financial chaos that would break out some "fine morning", possibly as a result of that "grave crisis", which is being sought so avidly by Japanese fascists and militarists, should the depositors demand the return of their savings.

Moreover, the Damocles' sword of inflation forever hangs threateningly over Japan's toilers. With the commodity prices rising on average by 30% in the past year, the yen has again lost within Japan a considerable share of its already small purchasing power.

The Japanese Government is making tremendous efforts to maintain the exchange rate of the yen abroad. For this purpose, the government in the first seven months of the current year alone has sent to the United States Y.328,000,000 worth of gold bullion.

The gold reserves of the Bank of Japan are rapidly evaporating, the amount of banknotes in circulation is growing, and the gold coverage in the past year has fallen from 35 to 32 per cent.

Japan's trade relations are also in a critical state. In the first seven months of this year the unfavorable balance of her trade has reached Y.720,000,000.

Japan's exports cannot pay for the vast quantity of military supplies and raw materials imported at the demand of the Army and the Navy.

All this is immediately reflected in the internal politics of the Island Empire. The Japanese imperialism is placing the burden of the growing military expenditures and the high profits of the super-trusts upon the shoulders of the toiling masses.

This is causing an ever growing dissatisfaction with the purely militarist oppression, established in Japan in recent years.

The logical conclusion is,—if to wage a major war it is necessary to have social stability and a well co-ordinated economy (and, especially, an elastic financial structure), then, today, Japanese imperialism faces its supreme test because it lacks both.

With the exception of the ideas of a thin stratum of "Big Businessmen", landlords and bureaucrats, the political sentiments of the vast majority of Japan's population are such that an explosion may come at any moment.

The State finances lack a stable economic foundation. Burdened by immense military expenditures, the national expenses greatly exceed the actual resources of the country. The effectiveness of the tax system, inelastic in its structure, has reached its limit.

The national debt which, together with the indebtedness of local government units has reached catastrophic dimensions, permits no major credit operation. And the interest on this debt weighs heavily on the national budget and the balance of international payments.

It is needless to point out that under the present international conditions, Japan cannot count upon a foreign loan. Least of all can she get financial assistance from her ideological allies,—Germany, looted by fascist megalomaniacs, and Italy, standing on the brink of a financial collapse.

In these circumstances, a protracted war in China for Japan is equivalent, first of all, to a financial catastrophe.

J. R.

\$400,000 Secured by Women for Liberty Bonds

The Women's Section of the National Committee of the Liberty Bonds up to Oct. 23 has secured to date more than \$323,000 worth of subscriptions. Announcement to said effect was made at a tea reception given to captains of various solicitation teams by Mrs. H. H. Kung, T. V. Soong and O. K. Yui, chairman and vice-chairmen respectively of the Women's Section early in Shanghai Oct. 23.

Tu Yueh-san and Bank Staff Subscribe for More Liberty Bonds

Led by Tu Yueh-sen, chairman of the board, who subscribed personally for \$10,000, the officers and staff of the Commercial Bank of China, reported Oct. 22 a total pledge of over \$66,000,000 for Liberty Bonds. It was pointed out that this sum was additional to the subscription made by the Bank itself some time ago for \$400,000,000 of the Bonds.

Kwangtung Remits Further \$1,000,000 for Liberty Bonds

A sum of \$1,000,000 was remitted Oct. 26 by the Kwangtung branch of the Liberty Bonds Sales Committee to its head office in Shanghai.

Reporting the remittance of the first installment of \$100,000, the Directorate General of Customs Administration in a telegram to the National Committee for the Sale of Liberty Bonds Oct. 19 stated that the pledges of the entire staff of the Chinese Maritime Customs totalled \$500,000,000.

A much larger remittance of \$500,000.00 was reported from the Shensi Provincial Committee for the sale of the Liberty Bonds, the message adding that further remittances would be made as the pledges are paid in to the Committee.

The staff of the Peiping-Hankow Railway, according to a telegram received from the Ministry of Railways, had collected \$362,325 as their first contribution towards the purchase of the Bonds. It was further reported that the various other Railway lines were also making similar contributions and that final figures of their total quota would be reported shortly.

Dr. Ho Shih-tseng Contributes 411 Mow of Land for Liberty Bonds

With the consent of his three brothers Dr. Ho Shih-tseng, formerly President of the Shanghai District Court and now President of the Chi Tse University in Kiangwan, this week pledged the entire Ho family estate in Nanking, amounting to over 411 mow of land, for the purchase of Liberty Bonds, according to an announcement of the National Committee. In addition to the property, the pledge also includes tax payment in kind of 400 piculs of rice from the Nanking estate and another 500 piculs of rice from the Ho family estate in Anhwei.

Chinese in America Aid Their Homeland

Chinese in the United States are contributing liberally to their country's war chest. Donations exceeding \$2,000,000 have already been collected, and money is likely to continue to pour into China for the duration of the war.

\$10,000,000 Appropriated for War Insurance by Ministry of Finance

A sum of \$10,000,000 has been appropriated by the Ministry of Finance for the establishment of a war insurance department by the Central Trust of China, also a Government organization, to extend insurance facilities for shipping agricultural, industrial or mining products in the country.

China To Pay Foreign and Domestic Loans as Usual

A message from Nanking dated Oct. 21 to the *Sin Wen Pao*, mentioned that Chinese financial situation is very strong as has been demonstrated by the decision of the Chinese Government to pay the interest and principal of foreign and domestic loans as usual, despite the present war.

Singapore Naval Base Nearly Completed

The fact that the Singapore naval base will be completed shortly was announced by Sir Samuel Hoare, Secretary of State for Home Affairs, in a speech at Newcastle-on-Tyne. "The completion of the Singapore naval Base," he said, "now little more than a matter of months, will give the navy a mobility in the Far East that it had not possessed in modern times."

Germany Wants Return of Cameroons and East Africa

Considerable interest has been aroused throughout Europe by a remarkable account of a recent interview between Herr Joachim von Ribbentrop, German Ambassador to Great Britain, who is at present visiting Italy, and Signor Mussolini, given in the French newspaper *Le Jour*. The journal asserts that Herr von Ribbentrop told Il Duce that the program of Germany's colonial claims, soon to be published in Berlin, would include the return to the Reich of the Cameroons and Ruanda and Urundi, formerly German East Africa and ceded to Belgium after the War, and the creation of a vast international territory in Africa to be exploited by Britain, France, Italy and Germany.

Shanghai's Woeful Lack of Information About Shanghai

BY FRANK GAPP

FAVORITE indoor sport of Shanghailanders, now that the situation in this area has become one of dynamic stability, with great events imminent but uncertain, is the reading of reports as they appear in the homeside papers. The journalist may have been trying to make the deadline, or what he said may have been true, but that does not diminish the heartiness of the laugh emitted by the knowing Shanghaier, who sees everything from the rooftop or hears everything in the bar.

Best material for this indoor sport is to be found in Japanese papers, and as an opening card let's take a story from the *Osaka Mainichi* for September 23, which comments on the safety of the Embassies in Nanking:

The military affairs committee of the Nanking government appears to be contemplating aerial bombardments of the buildings of the British, Soviet, and other embassies in Nanking by Chinese warplanes simultaneously with Japanese air raids of the city, it was reported to the War Office in Tokyo on September 22.

The attempt to stage the reckless bombardments of the foreign embassy buildings on the part of the Chinese is understood to be designed to invite foreign intervention in the current Sino-Japanese conflict since the war situation is increasingly becoming unfavorable for China.

The following day, after the Japanese warplanes had raided the capital, the paper reported:

The unerring accuracy with which the Japanese naval air squadron bombed Chinese government buildings and military structures without damaging western powers' embassies, legations and consulates, has astounded all, according to an Occidental observer who communicated with a local (Shanghai) acquaintance . . . after inspecting the devastation wrought by the air force.

He was particularly impressed with the touch of the air bombers in sparing the U.S.S.R. embassy adjoining the Kuomintang headquarters despite the fact that the latter was badly wrecked. (Note: the Kuomintang headquarters are not more than a half mile from the U.S.S.R. Embassy).

In the same issue (Sept. 24) the *Osaka Mainichi* indulges in speculation which seems to be predicated on a cloud. Their editorial concerning the bombing of China's capital avers:

Had it not been for such elaborate defense preparations, Nanking would undoubtedly have been reduced to a pitiful ruin by now. The Japanese air squadron, however, went ahead and destroyed one enemy structure after another, just as though Nanking were defenseless. By so doing, our winged squadron has practically placed itself in a position to dictate terms to Nanking.

As things stand today, the Chiang regime has three courses open. It may face imminent collapse at Nanking, it may surrender to the Japanese forces, or it may vanish from Nanking. In other words Japan's campaign for chastising China is beginning to bear tangible fruit.

And as long as we are still on the subject of airplanes, let's take a look at this report in the *Osaka Mainichi* for Aug. 26:

Chinese warplanes are hated even by the Chinese in Shanghai who remember the recent outrage committed by Chinese fliers among the non-combatant civilians on Nanking Road, according to Commander Keizo Matsushima, officer of the naval affairs propaganda department of the Navy Office who returned to Tokyo from Shanghai on August 24.

At the report that Chinese planes were coming to raid, Commander Matsushima said, the people of Shanghai rang alarm bells. Those who resided and attended to business in high buildings immediately rushed to the basement rooms for shelter.

Whereas the same Chinese welcomed the appearance of Japanese planes saying "Hao! Hao!" (meaning "good").

Other reports appearing in the *Osaka Mainichi* will be of similar interest to Shanghai landers, such as the hardy perennial that General Chiang Kai-shek had fled from the capital or had attempted to commit suicide, or whatever other report is of sufficient interest that someone might believe it.

At the same time, the *Osaka* paper carries meager accounts as to the exact location of the fighting in the Shanghai area. One dispatch even went so far as to state that, "Although the enemy put up a firm resistance, aided by firing from trench mortar

positions, the foe finally began retreating in a certain direction at 4 am."

Here is another dispatch that should interest foreign residents in Shanghai, taken from the *Manchuria Daily News* for Sept. 10:

Tokyo, Sept. 9—Moved by the brave and self-sacrificial activities of the Japanese troops in and around Shanghai foreigners have donated monetary gifts to the wounded Japanese soldiers. An unknown foreign resident yesterday contributed 50 dollars in silver through the O.S.K. while the foreign volunteer corps of the Shanghai Municipal Council and the Japanese volunteer Police jointly gave 440 dollars through the Japanese Naval attache's office there.

Japanese papers are also full of reports on the use of poison gas on the Shanghai front. Since most of the reports from both sides were concerned with the use of sneezing gas there seems always to be the suspicion that maybe the troops are suffering from a nice little cold in the head. After all, soggy trenches full of water are not the best places to be during rainy spells and cold snaps.

But now, folks, hold tight to your seats. Here is a headline from the *Japan Chronicle* for August 27:

FOREIGNERS FORBIDDEN INTERNATIONAL SETTLEMENT

Shanghai, Aug. 26

In view of the fact that an increasing number of foreign residents have returned to the International Settlement to resume business, Rear-Admiral Hasegawa, commander of the Japanese Third Fleet, issued a note this morning warning them of the inadvisability of the step and pointing out that, as peace and order have not yet been fully restored in the International Settlement region, there is much danger there.

But if you survived that paragraph, take a look at the next one.

The Japanese authorities, in accordance with the notice, will see to it that no Chinese or foreigners find their way into the International Settlement area as the vigorous bombardment carried out by the Japanese naval air forces from dawn till noon yesterday with the close cooperation of army units, made possible an advance to the upper reaches of the Yangtze River where all the strategic bases are claimed to have been demolished.

If you don't know what that last sentence means, don't ask me, for I don't know either.

Nothing quite so far from the generally accepted facts has been printed in other foreign papers, but you have really missed a good story if you haven't read the report of a certain Shanghai correspondent on the Nanking Road bombing. Among other things he declared:

Out on the street I saw a white woman crouched in the middle of Nanking road, assisting another woman in giving birth to a child while a hail of death pelted from the skies. The crowd streamed past. The agony of this pair seemed only an incident in the carnage that was going on.

The baby born on Nanking Road during the bombing stands the chance of becoming a hero (or heroine), but there is considerable speculation at present as to just what the baby was named. During the evacuation of Shanghai refugees aboard the *Empress of Asia* (according to the *Vancouver Sunday Sun* for September 11), Mrs. Harold Rowland gave birth to a baby boy, who was christened Michael Asia. The baby born on Nanking Road should certainly get a name like Cathay, or Nanking, or maybe should be named after the Chinese pilot who dropped the bomb.

A certain French paper has been in considerable demand in Shanghai, in fact, so great has been the demand that copies are hard to secure. It seems that the correspondent for this paper has included such interesting information about the situation in Shanghai as that, early in the struggle, police went from house to house telling Shanghai residents to put on their gas masks. Evidently someone feared a gas attack in this vicinity other than the gas attacks of the journalists. His other reports were of comparable interest to Shanghailanders, who bought up copies of the paper as fast as they appeared on the newsstands, and were exceedingly disappointed when they had no opportunity to laugh.

As a background to all reports from abroad (with the exception of Japan, newspapers have been remarkably accurate and faithful in their portrayal of the China scene) is heard the subdued snickering of the Chinese who have to find some outlet for their humor during these times of national crisis despite the belief that it is not patriotic to be gay during the present situation.

One laugh after another has tickled Shanghai and Nanking Chinese circles, particularly since the Japanese are so insistent that

they really like the Chinese, and that all these shells and bombs are simply the method they chose to express their affection.

Nanking is of the firm belief that the best way to discover what it is like to be fired upon by Japanese airplanes is to inform the British Embassy of your intention to motor to Shanghai. The British then notify the Japanese authorities of the proposed trip, and the sun rises automatically with bombing planes on the horizon.

The Chinese are also aware of the Japanese attempts to bombard them with propaganda. "Bombard" was particularly applicable last month when a Japanese plane dropped some leaflets over Nantao, but the airman forgot to untie the string so that the

PERHAPS THIS WILL "BRING AMERICA IN"



The above drawing occupied the front cover of *Walla-Walla*, U.S. Marine Newsweekly for Oct. 16. The line under the picture quoted the young Marine recruit as saying to his Chinese sweetie, "... An', Gosh, Ming Kee, you oughta see how the street-cars run in SAN DIEGO!"

package of papers hurtled toward Nantao and had almost the same affect as a bomb, crashing through the roof of a house and scattering tiles all over the street.

On the other hand, Japanese propaganda leaflets have come in handy, it is reported. Wong Shek-lam, a Chinese private, affirmed that the soldiers seldom picked up the leaflets because they hadn't the slightest desire to read them. However, he admitted that "many of my comrades and myself did use them for toilet paper... They are very convenient."

Despite all that can be said about reports in foreign papers, and the conscious humor of the Chinese, the unconscious humor of the Japanese newspapers provides the best source of giggles in the Far East today.

The Paramount Question at the Bussels Conference

BY HUBERT S. LIANG

IN a few days the Nine-power Conference is to be convened at Brussels, the Belgian capital. To this Conference the whole world will be turning its attention with the hope perhaps in certain quarters that through conciliation and compromise peace will be restored in the Far East. We the people of China join in the hope for an early restoration of peace in this part of the world, but it must be a just and lasting peace and a peace with honor. Can this peace be achieved through conciliation? Is conciliation the best and most effective method for achieving this peace at this juncture? We seriously doubt it.

To begin with Japan's war on China today is not merely an accident or an incident of local nature as the Japanese propagandists try to make it out to be. It is a logical and inevitable step that the militarist Japan must take in trying to realise her fixed policy of aggrandizement and aggression toward China. One need not go too far back to seek evidences to substantiate this statement. Just see what has happened during the last six years. Beginning with her invasion of China's Three Eastern Provinces on September 18, 1931 Japan, through intimidation, intrigue and the use of armed force, has conquered one province after another until almost half of China is now under the iron heels of the Japanese militarists. And yet the Japanese government has the audacity to declare to the world that Japan has no territorial designs on China.

Japan Wishes to Go to Conference with "Fait Accompli"

But the conquest is not as yet completed for Japan's final objective in China is the subjugation of the entire country. This she will and must do in order to fight Soviet Russia and to realize her long-cherished ambition for world domination. Such being the case any conciliation or compromise now, unless it gives Japan decided advantages at China's expense and unless it leaves her a free hand to continue her program of aggression, will not and cannot satisfy the Japanese militarists who are in full control of their country today. Is this the sort of compromise that the Brussels Conference will be aiming at? What effect would such a compromise have upon the militarists' position in Japan? Would it not, instead of weakening it, greatly strengthen it and give them, these ruling militarists, more ground to bid for even greater power in their country? Moreover, would not such a compromise give them just the breathing space they need to consolidate their gains in China and that with the full approval of the powers? Assuming for the sake of argument that such a compromise can be brought about, other questions still need to be considered? What guarantee is there that Japan will not violate the terms of conciliation even as she has flagrantly violated the Nine-Power Treaty, the Kellogg Pact and the League Covenant? And in case of violation, which is inevitable in view of the reasons stated above, what would the powers do? Would they take drastic measures to bring Japan to book? If they would do that later, then why not now? No, as long as the militarists are in full control in Japan there can be no real conciliation in so far as the Far Eastern situation is concerned. Should there be any conciliation at all it will be conciliation on their terms, the terms of the Japanese militarists. That is why they are desperately trying to produce some concrete and sizable results on the war fronts in Shanghai and in North China so that they can face the Brussels Conference with a fait accompli and bargain for terms. Up to the time of writing Japan has not yet definitely made up her mind to attend the Conference or not. But this indecision should not be taken too seriously. She watches and sees whether she can get the things she wants from the Conference. If so, she will attend. Otherwise she will not. Meanwhile she is actively maneuvering with certain European powers trying to make sure that she gets what she wants whether she attends the Conference or not. So much for Japan's side of the Conference.

As for China's side her course is clear: she cannot and will not accept any compromise that will not give her full guarantee of complete national freedom and independence and that will not restore to her all her lost administrative and territorial rights. Any terms less than these cannot and will not satisfy the Chinese people. Any peace on terms less than these will be a premature peace, a humiliating peace and a peace that will store up even greater danger and trouble for the future. The Chinese people have already paid heavy prices in this war of resistance and they are ready to pay even greater prices to see it through. We shall never rest content unless and until our objective is fully attained and that objective is complete freedom and independence for our nation.

Chinese Withdraw from Chapei—Flag of Rising Sun Flies Over Railway Administration Building

AFTER putting up a heroic defence for two months and-a-half, the Chinese forces in the Shanghai area, during the night of Oct. 26, withdrew to new lines on the South bank of Soochow Creek beyond the Settlement and thence in a northwesterly direction. Japanese army and navy columns early Oct. 27 occupied Chapei. The flag of the Rising Sun now flies over the battered Railway Administration building on Boundary Road.

Units of the Japanese army and navy joined near the Markham Road railway station, marching in squad formation, waving flags and cheering. However, they were frequently met with fusillades of machine-gun fire from Chinese sentries who remained behind to harass the advancing Japanese forces. The Chinese retreat was carried out in an orderly fashion.

A line of fire about six miles long extended from Kiangwan down toward Markham Road, evidently to cover the Chinese withdrawal. Japanese planes machine-gunned the retreating Chinese. The new Chinese lines are beyond the effective range of Japanese naval guns. A squadron of tri-motored Japanese bombers dropped 13 huge bombs on a Chinese troop concentration near Jessfield Park, while three smaller planes machine-gunned and bombed other places around Soochow Creek. Approximately 50 Japanese planes were in the air at one time.

Italian Grenadier Killed by Japanese Anti-Aircraft Bullet

Italian grenadier, Antonio Padula, was killed during the night of Oct. 26 on Ferry Road, when struck by a 50-calibre bullet from a Japanese Anti-Aircraft gun, in the left chest.

Tazang Falls into Japanese Hands, Oct. 26

Despite attacks by several powerful Japanese mechanized units, more than ten airplanes and columns of Japanese infantry from the north and northwest, Chinese forces still were successfully defending Tazang, according to Chinese reports Oct. 26. Fighting occurred throughout the previous night within one mile of that area, they added. The Japanese, however, finally captured Tazang the same day.

Japanese troops advancing from Chenchiahang southwestward during the night of Oct. 25 were reportedly engaging the Chinese forces at Mengchiache and Chuchiache, a little over two miles from Nanziang and one mile from Sionanziang. Hand-to-hand combats were said to have taken place at said points early the following morning following many hours of bitter struggle.

In the Miaohang and Kwangfu areas, Chinese troops fought off several Japanese attacks, according to Chinese sources. On the northeast of Miaohang the Japanese concentrated their efforts at three points, namely, Hsuchiache, Chowchiache and Chinchiache; while in the Kwangfu sector, Sinmuchiao was the scene of bitter engagements.

In Kiangwan, fighting became increasingly severe at night as the Japanese seemed to be determined to drive the defenders to the west. It was reported that the campus of the Shanghai Commercial College was captured by the Japanese at about 4 a.m. Oct. 26.

The week's war operations in the Shanghai area were marked by the grimmest battles of the present conflict in the immediate vicinity of Tazang, situated about eight miles northwest of North Station. The object of the Japanese operations was to close in on the Chinese forces and encircle them—or in the alternative, to force the Chinese to withdraw. That the Chinese forces would be compelled to withdraw had been predicted already on several occasions during the past two weeks.

The Chinese forced the pace during the night of Oct. 21 by staging a counter offensive. The statements of results obtained, issued by the Chinese and Japanese, were diametrically opposite, but the one thing that stood out was that a terrific battle raged all the night long, with the rattle of machine guns, the thud of falling bombs, the reverberations of heavy shells and the staccato of anti-aircraft guns making the air hideous with their racket. Losses on both sides have been carefully concealed, but they are estimated as running into thousands on both sides. The fighting, it is to be remembered, is being carried on without rules; it is an undeclared war, and little is heard of the taking of prisoners. Little quarter is given on either side, and frequently a stab from a bayonet will end the agonies of some tortured Japanese or Chinese who has been mangled by a bomb, a shell or a hand grenade.

The Chinese claimed the recapture of several villages and an advance more than a 1,000 metres east of Kwangfu. Japanese

statements, while not denying the Chinese claims, were to the effect that, following the Japanese capture of Kwangfu on Thursday afternoon, and after repelling Chinese attacks for three hours that night, they on the following day took the village of Tingchia-chiao, north of Kwangfu, on the Yangching Creek, about 20 kilometres southwest of Liuhong.

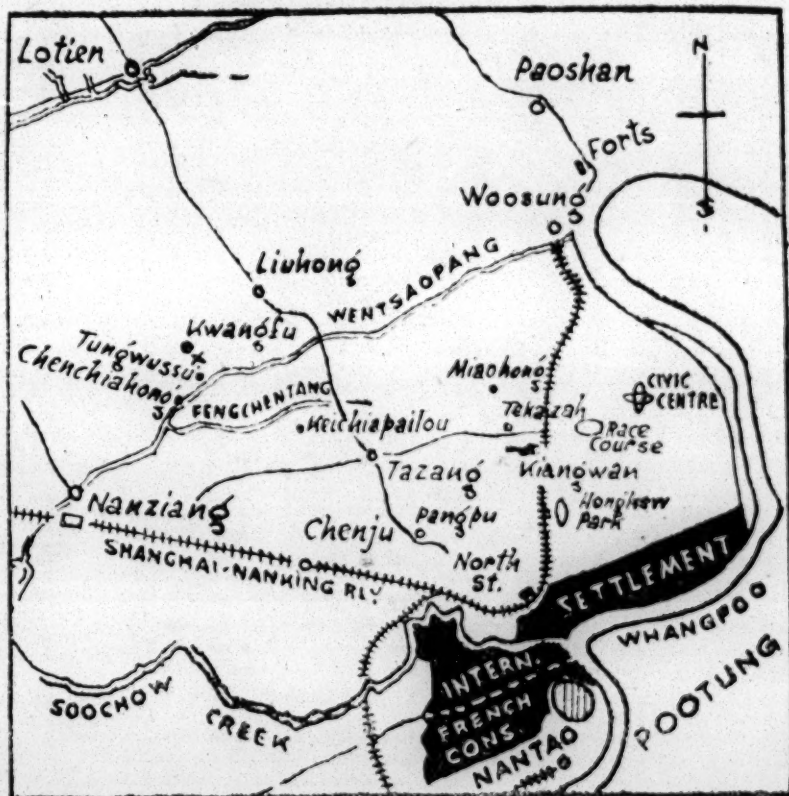
Japanese Lose 1,000 in Frontal Attack on Tazang-Nanziang Highway

Central News stated that in their frontal attack during the night of Oct. 24 on the Chinese line one kilometer north of the Tazang-Nanziang highway, the Japanese lost at least 1,000 men killed and hundreds more wounded. The Japanese used more than 30 tanks in their onslaught.

Chinese Will Hold Kiangwan and Chapei Despite Tazang Fall, Chinese Spokesman Said

Despite the fall of Tazang and the crossing of the Kiangwan-Nanziang highway by Japanese troops, Chinese defenders of Shanghai will remain in Kiangwan and Chapei to keep the battle

MAP OF SHANGHAI AREA



N. C. D. N.

from encroaching nearer on the International Settlement, the Chinese military spokesman at the press conference in Shanghai stated during the evening of Oct. 26. Strong units of reinforcements, he said, were being rushed to strengthen the Chinese defense at Kiangwan and points north of the Nanking-Shanghai railway, and the Chinese line, shortened by the abandonment of Miaohang, will give stiff resistance to the enemy forces should they venture farther south, he said.

Japanese Claim Chinese in "Full Rout"

With Chinese troops in "full rout," Japanese naval aircraft were "exceptionally active" in the Shanghai area, bombing and strafing retreating Chinese forces, a Japanese naval spokesman said Oct. 24.

A more than usually daring exhibition of aerial diving and bombing, with tremendously destructive results, was staged in the western and northwestern sections of the Shanghai area in the afternoon of Oct. 24. The planes at times were undoubtedly flying over the Settlement. At least 50 bombs were dropped in the Jessfield Park area.

One of the largest Japanese bombers ever seen in this district appeared from the west, escorted by two pursuits planes. They cruised slowly back and dropped three huge bombs just opposite Jessfield Park.

The Daily Routine of Combat in the Shanghai Area

The routine of war operations in the Shanghai area as it had

developed during the past several weeks was about as follows: All day long groups of Japanese bombing planes flew over the edge of the Foreign Settlement on their way to the North Station area or beyond, to launch bombs, on some days as many as 200. Some 10 or 20 percent of the bombs evidently failed to explode. Others wrought great damage to various buildings, some of which were being used as cover by the defending Chinese troops. The Japanese rarely did any bombing except in day time. This enabled the Chinese always to tell when they were about to be bombed, and gave them an opportunity to make disposition of their forces accordingly. For one thing the Chinese forces scattered out as much as possible. Others crept into various caverns, some of them concreted, which they had constructed. In such cases where the bomb hit a man or a group or the opening of dug-out, naturally enough there were Chinese casualties, but the casualties on the Chinese side, great as they undoubtedly on occasion have been, were never serious enough to break the morale of the Chinese defenders. Only on rare occasions did the Chinese reply, there being, it is understood, a great dearth of anti-air craft ammunition.

The Chinese nearly always confine their airplane flights and bombing to the night time. Hardly a night passes that a Chinese plane does not fly over the Yangtsepoo area, in some instances dropping bombs, and in some instances not. While the Japanese claim that the Chinese bombers rarely do anything else than destroy private property, or else kill an occasional Japanese non-combatant, and also sometimes one or more of the few Chinese that remain in that area, it is evident that in most cases the buildings which are bombed by the Chinese, even though they are private property in a technical sense, are for the time being used for military purposes by the Japanese. A case in point is the property of the Seventh Day Adventists in Ningkuo Road; and there are many others.

As far as the Pootung side is concerned, nearly all the buildings on the water front have been practically destroyed, so that Chinese machine gunners and snipers are not able now, as they did at the beginning of the hostilities, to harass the Japanese naval craft. But, it is evident that the Chinese machine-gunners have retreated only a short distance inland. How many of the small artillery units the Japanese bombers have been able to snuff out is not known, but that there are still quite a few of them left is made evident by the fact that shells are popped out by them every once in a while in the neighborhood of the Japanese warcraft in the Whangpoo, their effect in most instances being more annoying than destructive.

It is a daily routine for the Japanese naval planes, particularly for the plane belonging to the *Idzumi*, to circle around and fly low a few hundreds yards inland, across the river from Shanghai, the object being to draw Chinese machine-gun fire, and then, with the location fixed, a succeeding Japanese bomber will try to bomb the Chinese machine-gunners. But in rare instances do the Chinese machine-gunners "bite." Not in recent weeks have the Japanese made any attempt to land at Pootung.

Chinese Make Good Use of Camouflage

One of the most valuable assets which the Chinese possess in their defensive operations in Shanghai is the art of camouflage and the making use of ruses—an art in which they have shown a great superiority to the Japanese. The quality here mentioned was admirably demonstrated during the night of Oct. 14, which will be remembered as the date on which Shanghai was rocked by the most terrific uproar of the whole period of the undeclared war. It now transpires that the genesis of the exchange of shooting were the facts here described.

At that moment (as the *China Press* relates), four Japanese planes with their navigation and cabin lights turned on were coming into their field shortly after dusk. The pilot of the Chinese plane spotted them in the air, turned on his cabin and navigation lights, and joined the procession. It is believed by observers that the Japanese must have seen the Chinese plane, but believing it was one of their own, took no action. The Chinese flier followed the group over the airfield, made all the pretenses of landing after the leading four planes had settled on the ground, dropped two demolition bombs (which put seven Japanese planes out of commission) and then zoomed away before the Nipponese had time to figure out what had happened.

The report of what had occurred was flashed to all Japanese warships in harbor and then hell broke loose.

Japanese Move Airfield Equipment to Woosung

Reports that the Japanese had moved a goodly portion of their equipment from the airfield near Point Island to Woosung have been confirmed by foreign observers. Questioned on this point, the Japanese naval spokesman at the succeeding press conference told correspondents and local newsmen that they would have to determine the answer for themselves.

Earlier Sorties of Japanese Frustrated by Chinese

A theater of vigorous activities during the night of Oct. 22 was in the vicinity of Mengchiache, about four kilometers northeast of Nanzhang, where the Chinese were holding a line on the west bank of a creek running at right angle with Wentsaopang.

Here, several sorties were attempted by the Japanese forces but each of them was successfully frustrated. A little to the east of Mengchiache, another Japanese unit was checked in its advance from Tanchiache to Yuehchungtang.

In the Kwangfu sector, the Japanese threw about 2,000 men into action both during the night and before dawn the next morning. They were driven back.

Among the new Japanese arrivals was a chemical warfare unit of about 4,000 strong, indicating that the Japanese will resort to gas attacks on a more extensive scale than has hitherto been attempted at various sectors. According to another intelligence report, the Japanese had collected hundreds of rafts between the Wayside Wharf and the Jukong Wharf while near the Tinghai Road bridge numerous steam launches were being held in readiness ostensibly for landing operations.

American-Owned Aerated Water Factory in Yangtsepoo Destroyed by Fire

Set on fire by a Chinese incendiary bomb, the plant of an American-owned aerated water firm (Eddie Aerated Water Co., owned by China Finance Corporation) on Hwatung Road, Yang-



Japanese anti-aircraft shell creates havoc at the American Army and Navy Y. M. C. A. on Szechuen Road. The shell penetrated the roof and exploded in a room blow, but no one was injured. B. W. Smith, Associate Secretary, is examining the wreckage.

tzsepoo, burned for about one hour on Friday night, a Japanese Embassy spokesman stated at the press conference the following morning.

Ito's Mission in Shanghai is to Arrange Early End to Hostilities?

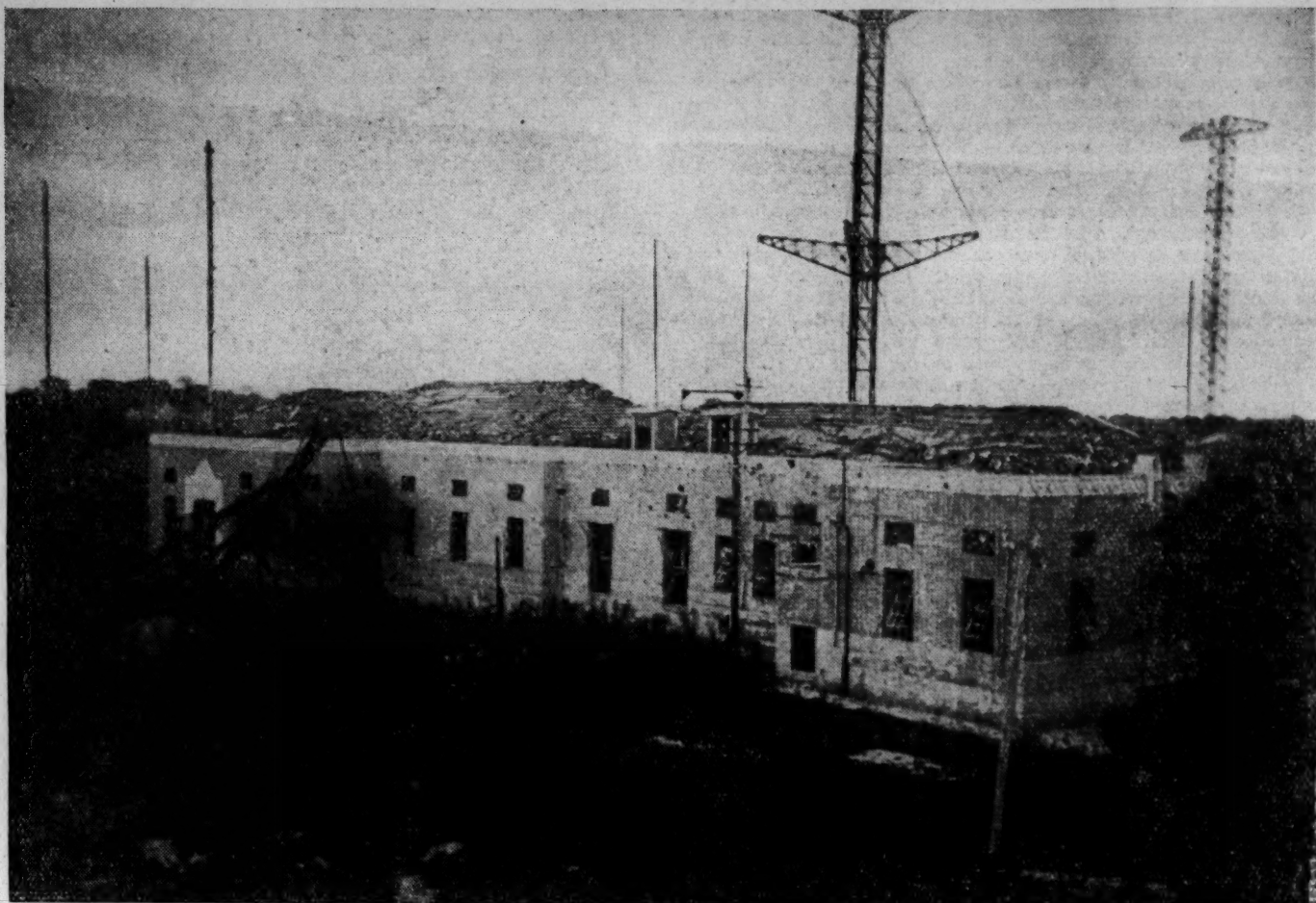
The mission of Nobubumo Ito, former Japanese Minister to Poland, now in Shanghai as Japan's "envoy-at-large," is to assist S. Kawagoe, Japanese Ambassador to China, in dealing with British and American officials, trying to bring an early stop to the hostilities in China, a *Central News* message from Soochow Oct. 26 stated.

Mr. Yamagami, chief of the East Asia section of the *Domei News Agency* in Tokyo, who was manager of the *Rengo News Agency* (*Domei's* predecessor) in Canton and Shanghai, was said to have declared that the men in the street in Japan, officials and capitalists were all worried about the war, not knowing why is it being fought in the first place.

Japanese Estimate Chinese Casualties at Quarter Million

Chinese casualties up to October 23, as estimated by the Japanese military authorities, total approximately 250,000 killed

JAPANESE ATTEMPT TO DESTROY CHINA'S COMMUNICATIONS



This picture shows ruins of one of the main buildings at the Chinese Government Radio Administration's installation at Chenju, about a dozen miles from the western border of the International Settlement. Prior to the destruction of this plant, which contained machinery and capital investment of the Radio Corporation of America, the Japanese cut the Trans Pacific cables in the vicinity of Woosung, the obvious intention being to isolate China, but particularly Shanghai from world contact. When a foreign correspondent asked the Japanese military spokesman about sending news reports, the Japanese replied, "That will be arranged."

and wounded, a spokesman for the Japanese army stated Oct. 26. The spokesman added that the number of Chinese dead picked up on the field of battle totalled approximately 67,000.

Chinese war materials picked up by the advancing Japanese forces, the spokesman said, include 6,300 rifles, 1,000 light machine guns, 200 machine guns, 783,000 cartridges (rifle and machine gun), and 9,000 hand grenades.

Chinese Put Japanese Losses at Over 40,000

Chinese estimates of Japanese losses during the same period were placed at over 40,000.

Japanese Incendiary Bomb Drops in American Sector—Several Die from Burns

Between forty and fifty Chinese, largely refugees, were severely burned, five of whom later died, when a Japanese incendiary bomb exploded in crowded Sinza Road, 4.15 p.m. Oct. 22. Two Sikh policemen also were injured, one of them seriously. Several rickshaws were also destroyed. Japanese planes were dropping many incendiary bombs on Chapei in the vicinity of the Soochow Creek when the missile in question struck the pavement on the south side of Sinza Road and exploded. The place hit is fully 70 yards from the nearest point on the Creek.

Many of the victims had not only clothes burnt off, but they suffered skin burns as well. In most of these cases their faces had been scorched and their hair destroyed.

The Japanese issued a denial that a "bomb" had been dropped by the Japanese plane. They admitted that something had been dropped and intimated that it was an extra gasoline tank which had accidentally dropped from the plane. The remains of the incendiary missile were picked up by the Police and handed over to the Health Department for chemical tests. A strong smell of phosphorus hung over the area for several hours after the tragedy occurred.

Brigadier-General John C. Beaumont, Commanding the 6th Brigade U. S. Marine Corps in Shanghai, lodged a protest with Commander-in-Chief Vice-Admiral K. Hasegawa, regarding the bomb which fell in Sinza Road, which is within the American defence sector. Admiral Hasegawa reportedly expressed his regrets.

Germans Press for Permission to Remove Their Property from Yangtszepoo

Dr. Oskar Trautmann, German Ambassador to China, together with the local German Chamber of Commerce are collaborating in efforts to clear large quantities of German properties now stored in Yangtszepoo. Over \$30,000,000 worth of German goods had properties, it is said, have been left behind in Yangtszepoo since the outbreak of the Shanghai war, and during the last two months there was not a chance for their owners to effect their removal to safer places. Repeated approaches have been made by the local German Chamber of Commerce to the Japanese authorities in Shanghai, but their requests to remove the German properties had always been turned down on various excuses. Particular efforts are being directed by the German Ambassador toward securing permission from the local Japanese civil and military authorities for the extrication of \$400,000 worth of machinery and apparatus in National Tung Chi University at Woosung. These machines and engineering appliances mostly were donated to the German-founded university by firms and organizations in Germany.

Allegations of Squeeze in Securing Permits

Correspondents in the *North China Daily News* last week called attention to a fact which is obvious, namely that certain firms are able to secure the removal of cargo from the Yangtszepoo district, while others are unable to secure permission, despite repeated applications. One correspondent charged directly that Japanese underlings are accepting large "squeezes" and that those applicants who pay the "squeeze" are given preference in the issuing of permits. This correspondent called upon the Japanese Admiral, for the protection of the Japanese good name, to investigate this condition and put a stop to it.

In the meantime also, the question naturally arises: On what theory do the Japanese assume to say who shall and who shall not remove his property from said part of the International Settlement of Shanghai. There is a certain amount of risk connected with the operation of removal—that is evident; but if the owner or transport agent is willing to take the risk, why should the Japanese military or naval authorities concern themselves with that point?

Can China Stop Japan?

BY LIN YUTANG

(New York Times Magazine, Aug. 29)

Can Japan conquer China? Today, as so frequently in recent years, that is the question. There is no doubt that today Japan is launched on a more extensive Chinese campaign than ever before, and that the "conquest" of China is her intention. But can China be conquered?

To answer that question we must keep in mind some of the fundamental factors in the Far Eastern drama.

The present Sino-Japanese war is likely to determine the course of developments in the Far East for the next few decades. Both nations are fighting for peace, but in different terms—China for a chance to develop normally into a modern State and enjoy peace as an independent power, Japan for peace with complete domination over Eastern Asia. And no one can pretend that this is a private affair between two distant Far Eastern nations and that the question of whether Japan dominates China and establishes a powerful mainland empire has nothing to do with the Western world.

Today two old assumptions are no longer true in Eastern Asia: first, the belief of the Chinese that they can "get by" without fighting, and second, the belief of the Japanese that they can "get away with it" without fighting. It is a "showdown" to settle certain fundamental issues. In order to understand the issues involved it is necessary to understand the Japanese technique of conquest as heretofore revealed. More important than the fighting around Peiping, Tientsin and Shanghai are certain dire inferences to be drawn from this technique of conquest.

The antecedents of the present situation are these: in the last six years the Chinese have adopted a policy of temporizing and trying to "get by" without fighting, resulting in the successive Japanese invasions of Manchuria in 1931, Jehol in 1932, East Hopeh in 1933, Chahar in 1934-35, Suiyuan in 1936 and now North Hopeh in 1937.

The technique of conquest is now familiar to the world. Geographically, there is always a frontier between Chinese and Japanese controlled territories; the frontier must be demilitarized on the Chinese side for the maintenance of "peace"; the demilitarized zone in time unaccountably develops a "popular" autonomous movement and sets up a regime friendly to Japan and is practically Japanese-controlled. Then the next Chinese territory lying close to this Japanese-controlled "autonomous" area proves to be "provocative" and must be evacuated by Chinese troops; a new demilitarized zone is necessary; a new autonomous regime springs up in that zone. It is a process of subterranean erosion. The Chinese understand this process, and because the threat has now become immediate the present war cannot be lightly terminated.

The depth and nature of the conflict will determine the extent of the war. Its course will be determined by China's power of resistance, Japan's military power and social-economic situation, and, always in the offing, the chance of Russia's coming in at the point of Japan's financial exhaustion, as America entered the World War. Bearing always in mind that the last two are factors just as important, I propose to deal with China's power of resistance and her military tactics.

Chinese nationalism, patriotism and anti-Nipponism are synonymous terms. In a sense this war is a war around Chinese nationalism and what Japan is going to do about it. Japan must crush this Chinese nationalism unless her dream of empire is to vanish.

What is this Chinese nationalism? It is both old and new. China's old nationalism is a simple thing—just racial pride. It is not true that the old, ignorant Chinese peasants have no racial pride or consciousness; they are merely pacifist by temperament and culture and like to avoid trouble. Racial pride and hatred are age-old things, not produced by modern civilization alone. The revolution of 1911 was purely a racial revolution, understood by the masses as "driving out the Manchus," and not as substitution of a republic for a monarchy. The Tungchow Rebellion is also testimony to this truth.

This strong racial hatred against the Japanese guarantees on the Chinese side the finest fighting morale any nation can hope for. Every Chinese coolie knows that Japan is China's enemy. In fighting the Japanese, every Chinese soldier is a steadily advancing unit. Negatively, this fact makes it impossible for Japan to conquer any part of China in a true sense. Whatever the Chinese lack, and however they may be subjected by force, they have racial pride, a consciousness of a great cultural past, persisting like a dream of childhood.

That is why, even in areas already occupied by Japanese forces, China is not reckoning with the current popular theory of "racial absorption," but with preventing the Japanese from being absorbed into Chinese blood. Large numbers of Japanese girls have married and will marry Chinese husbands, but no Chinese girl will marry a Japanese.

The new Chinese nationalism is a growing, living thing, the natural result of the steady penetration of modern ideas. It is in itself constructive, and not destructive, as evidenced in the amazing internal progress reported by all travelers. It is as near to the heart of the Chinese as the Five-Year plan is to the Soviets.

Given another three years of peace and continuous development and China would be changed into a modern State.

But it is exactly because Japan will not give China a chance to continue her normal development and internal reconstruction, at a time when at last China has pulled herself together and got on the road of progress, that the Chinese hatred against Japan is so deep and bitter. What the Japanese are doing is, in common English parlance, "unfair." It is neither English "fair play" nor "Chinese gentlemanliness" nor Japanese "bushido."

Anti-Nipponism and this new nationalism cannot be separated, and Japanese statesmen know it. China's progress is Japan's nightmare. Constructive and destructive nationalism can be distinguished in theory, not in practice, and again Japanese statesmen know it. That is why, in every war, Japanese artillery and bombing planes are aimed at Chinese libraries, museums, universities and publishing houses. For where there is progress there is nationalism.

Now, as to the military side of the conflict. To begin with, one must give full recognition to the fact that in war a long-range gun is better than a long-range philosophy and that the question of the outcome of the war cannot be answered except from a technical, military angle. China admittedly has a military equipment inferior to Japan's. She has longer-range philosophy, but shorter-range artillery. But that is not the whole story. There are a number of factors in China's favor: a fair air force, a fair-sized modernized army, excellent fighting spirit, more land than Japan ever dares to penetrate and occupy in a military sense and, above all, excellent leadership in Chiang Kai-shek, who is one of the best military tacticians of all the Orient.

There sits in Nanking an extraordinarily cool man, disinclined to talk and even to explain himself to the Chinese people. Like a good chess player, he cannot be ruffled; he never shows his hand, and chooses his own defense line instead of letting his opponent force it on him. The Chinese nation knows that he has a complete scheme of defense and offense.

We are watching a game of chess, played by that cool Chinese and his more reckless, aggressive opponent. Aggressiveness, we all know, is a weak sign in chess playing. Playing against considerable odds, "Old Chiang," as we call him, has to keep his head cool and use tactics. In chess tactics, often the sacrifice of a good pawn is the only way to avert defeat and bring about a stalemate.

The fighting qualities of the Chinese soldier are different from those of the Japanese. Essentially the Chinese soldier is like the American doughboy or the British Tommy, who goes to battle with a laugh. He is a humorous fellow, with or without his green umbrella. The psychology of stabbing a man through his ribs is essentially the same whether you use longer French bayonets or shorter German bayonets or Chinese big knives.

If anything, the Chinese chewbakh (nickname for a soldier) has better nerves than many European soldiers. His insensitivity to pain is almost amazing, and he is so used to hardships and sufferings that he might miss them if they were absent. He has a nickname for everybody, and he likes or dislikes his captain as a man and has not got an abject reverence for him as a commander.

Life to him is cheap. There is no mystery about it. The Chinese philosophy is that when a man dies, he is dead. No army chaplain attempts to make a dying man confess his sins.

General Gordon, who led a Chinese army and helped to smash the Taiping Rebellion, discovered that the Chinese private made an excellent soldier if you gave him a good captain. That he ran away, for instance, in the Sino-French war of the middle nineteenth century was not his fault, because the Chinese scholar in charge of ammunition had absconded. There was no use firing guns without bullets. That was common sense.

Military observers generally agree on this point of the fighting quality of the Chinese soldier. The question today is merely reduced to one of military organization and equipment.

The Sino-Japanese conflict will be, in my opinion, one of slow attrition, not without ruinous upsets in Japanese finance, until both Japan and China are ready to talk peace and the conflict is ended by third-party mediation on a stalemate basis.

When the Chinese talk of war it is with the full realization of the sacrifices to be made. There will be tremendous sacrifices in the Chinese coastal cities, and the people will suffer—but at suffering the Chinese are a great people. Have they not known wars, floods and famines every few years? Are war, flood and famine refugees a new thing in China?

There will be bombing of civilian population in unfortified Chinese cities. But mere "frightfulness" will do no good from a military point of view. If this war ends in a stalemate the virtual victory will be China's.

British Sound Japanese on Tientsin Customs House Issue

Sir Robert Craigie, the British Ambassador to Japan, had a 50-minute interview Oct. 18 with the Vice-Minister of Foreign Affairs, Kensuke Horinouchi. The conversation is reported to have been partly in connection with the Tientsin Customs House issue.

Outstanding Events from the Beginning of the War in North China

Owing to the receipt of numerous requests from readers of THE REVIEW who desire to keep a complete record of the Sino-Japanese conflict from the beginning in the North, we are publishing a separate summary herewith starting at the Lukouchiao incident at Peiping on July 7. The day-to-day summary which has been appearing in these columns since our issue of Sept. 11, started with the complications at Shanghai on July 24 and has continued to the present. In the event sufficient requests are received, the entire summary may be published in booklet form.

- July 7.—The so-called Lukouchiao Incident marking the beginning Japanese hostilities in North China occurred at midnight. Alleging that a Japanese soldier had been "missing" and that "certain persons" had fled in the direction of Wanping (a city west of Fengtai) after having fired at them, Japanese troops which had been holding night maneuvers in the vicinity of Lukouchiao, or Marco Polo Bridge, 20 miles west of Peiping, launched an attack on Wanping at 4.30 a.m., when the Chinese garrison refused them permission to enter the city and to search for the "certain persons." The fighting lasted for five hours from 4.30 a.m. to 9.30 a.m. Because of the heavy artillery fire by the Japanese, the Chinese troops which belonged to 37th Division of the 29th Army under command of General Feng Chih-an suffered heavy casualties amounting to about 200 killed and wounded.
- July 8.—Shortly after the incident happened, negotiations for a peaceful settlement were started by both the Chinese and Japanese representatives at Peiping, but no satisfactory solution was reached. Fighting, where, was resumed at Wanping at 11 a.m. today, when the Chinese authorities rejected the Japanese demand that the Chinese troops be first withdrawn from Lukouchiao. Large detachments of Japanese troops were being dispatched to Fengtai from Tientsin. Martial Law was declared in Peiping by the Chinese authorities this evening, but the city remained calm in face of the crisis.
- July 8.—The Ministry of Foreign Affairs lodged a verbal protest with the Japanese Embassy at Nanking this evening over the incident.
- July 9.—After two more brief clashes, peace was restored to Wanping this evening following a simultaneous withdrawal of Chinese and Japanese troops from Lukouchiao. Meanwhile, as requested by the Japanese, a detachment of Peace Preservation Corps under command of Shih Yu-shan was dispatched to Wanping to take over garrison duties there.
- July 9.—Dr. Wang Chung-hui, Foreign Minister, returned to Nanking by air this morning from Kuling, where he had been attending the summer conference. Meanwhile, Vice-Minister for Foreign Affairs Chen Chieh continued negotiations with the Japanese Embassy Counsellor S. Hidaka for a peaceful settlement. Mr. Chen informed Mr. Hidaka that Japan must be held responsible for the Lukouchiao incident.
- July 10.—Fighting was resumed at Lukouchiao at 6 p.m., but it ceased after 8 p.m. The situation suddenly took a grave turn, as Japanese were bringing up large number of troops to Lukouchiao and the vicinity of Peiping. Eleven Japanese troop trains were reported to have left Mukden for inside the Great Wall, two of which already arrived at Tientsin. Meanwhile, Japanese troops failed to evacuate Lukouchiao as they agreed to. In order to cope with untoward developments, the Chinese troops in and around Peiping were also being increased.
- July 10.—The Ministry of Foreign Affairs lodged a written protest with the Japanese Embassy in Nanking today, holding the Japanese responsible for the attack on Lukouchiao. Dr. Wang Chung-hui, interviewed by Mr. Hidaka, expressed the desire that both sides would resort to pacific means to settle the incident.
- July 10.—General Ho Ying-ching, War Minister, returned to Nanking from Szechuan this afternoon.
- July 11.—After a lull of several hours this afternoon during which another agreement for a mutual withdrawal of Chinese and Japanese troops from Lukouchiao to their original positions was being negotiated, hostilities broke out again at 10.20 p.m. So severe was the clash that heavy artillery fire was audible in Peiping.
- July 11.—According to report from Tokyo, war fever ran high in Japan and the Japanese Cabinet was said to have reached "fundamental decisions." Meanwhile, heavy Japanese reinforcements were pouring into Tientsin and Peiping from Manchuria and a large number of aircraft had also arrived at Tientsin.
- July 11.—According to a statement issued by the Headquarters of the Japanese Garrison in North China, the Hopei-Chahar Political Council had accepted the demands presented by the Japanese for the settlement of the Lukouchiao incident. The demands were:
1. Withdrawal of the Chinese troops from Lukouchiao (Marco Polo Bridge).
 2. Punishment of the Chinese officials responsible for the incident.
 3. Adequate control of anti-Japanese activities.
 4. Enforcement of anti-Communist measures.
 5. An official apology by the Chinese.
- An official statement issued by the Chinese authorities declared that only a verbal agreement had been reached for the withdrawal of both Chinese and Japanese troops from the Wanping area.
- July 11.—The Ministry of Foreign Affairs issued a statement through its spokesman this afternoon, charging the Japanese with deliberate plan behind the present clashes in North China. The truce was declared to be made without sincerity and intended to be only as a means to gain time for bringing up more reinforcements. Meanwhile, Vice-Minister for Foreign Affairs Chen Chieh took a firm stand and demanded of Mr. Hidaka that he immediately cable the Japanese government to order the cessation of Japanese military activities in North China.
- July 11.—General Sung Oheh-yuan, Chairman of the Hopei-Chahar Political Council, who had been on leave at his home town of Lohling in Shantung, returned to Tientsin this evening.
- July 12.—After another lull today during which a new agreement was said to have been reached providing for the mutual withdrawal of Chinese and Japanese troops from the "truce area" now garrisoned by the Peace Preservation Corps, another clash occurred at 10.35 p.m. in the Wanping area with the rattling of machine guns clearly audible in Peiping. Fighting continued the whole night. The battle near the International Race Course at Papaoshan, six miles west of Peiping, between 10.30 to 2.30 a.m. yesterday (July 11), was considered the severest since the outbreak of the Lukouchiao incident. Responsible officials of the Hopei-Chahar Council denied that the Council had accepted the five Japanese demands.
- July 12.—More Japanese troops from Manchuria were arriving in Tientsin by the Peiping-Mukden Railway. Meanwhile, the Japanese air force at Tientsin had been increased to 28 planes with the arrival of further machines. Japanese troops and military supplies also continued to arrive at Peiping.
- July 12.—A Reuter report from Tokyo stated that Japan's Foreign Office Spokesman declared that Japan was determined to have a "show-down" in North China.
- July 12.—The Ministry of Foreign Affairs today presented a memorandum to the Japanese Embassy at Nanking stating that no arrangement for the settlement of the Lukouchiao Incident would be valid without the sanction of the Central Government. Views on the incident were exchanged between Foreign Minister Wang Chung-hui and Japanese Embassy Counsellor S. Hidaka. Meanwhile, Japan lodged a protest over the incident with the Chinese Embassy in Tokyo.
- July 12.—Lieut-Gen. Kiyoshi Katsuki, the new Commander of Japanese Forces in North China, arrived at Tientsin by air this morning, succeeding the present incumbent, Lieut-Gen. K. Tashiro, who had been ill.
- July 13.—A brisk battle between Chinese and Japanese troops occurred this morning lasting for two hours near the railway bridge just outside the Yungtingmen gate of Peiping. A minor clash also occurred in the morning in the vicinity of the Chinese barracks at Nanyuen. The renewed outbreak of fighting was reported to have been due to the disagreement over the interpretation of the new agreement under which both sides pledged themselves against aggres-

sion in the Wanping area pending the outcome of further negotiations.

July 13.—3,000 Japanese reinforcements had already arrived at Tientsin from Manchuria. 10,000 others were on their way there. At least there 100 Japanese planes were now concentrated at Shanhaikwan.

July 13.—“We are prepared to resort to the most extreme measures if further provocation is given,” said the spokesman of the Japanese Kwantung Army at Changchun today.

July 13.—Japanese sources insisted that Chinese had accepted the Japanese demands in writing, but these sources refused to reveal the signatories' names. Meanwhile, General Sung Cheh-yuan emphatically denied that the Chinese authorities had accepted the Japanese demands.

July 13.—According to a *Reuter* report, differences were said to be existing among the high officers of the 29th Army on the policy to be pursued towards the Japanese. One faction led by Gen. Chin Teh-shun, Peiping Mayor and Gen. Feng Chih-an, Hopei Chairman and commander of 37th Division, were advocating armed resistance. The other, headed by General Sung Cheh-yuan, was said to be in favor of bowing to Japanese pressure.

July 13.—In view of the gravity of the North China situation, the various high government officials assembling at Kuling had been instructed by the National Government to return to Nanking immediately.

July 14.—Lofa, a station about 50 kilometers northwest of Tientsin along the Peiping-Tientsin Railway, was the scene of the latest Sino-Japanese clash this evening. The fighting started at 9 p.m., when Japanese troops numbering 600 to 700 while entraining from Tientsin to Fengtai fired upon the Chinese troops stationed at Lofa, who promptly returned fire. Meanwhile negotiations for a peaceful settlement of the situation were being continued at Tientsin. S. Kawagoe, Japanese Ambassador, arrived at Tientsin today by air from Tsingtao, but no meeting with General Sung Cheh-yuan had been arranged.

July 14.—The Japanese Domei Agency report that Gen. Chang Tze-chung, Tientsin Mayor, and Gen. Chang Yun-yung, Chief of Staff of the 29th Army had signed the July 11 agreement with the Japanese was denied by Mayor of Peiping Chin Teh-shun today.

July 14.—His mission in North China was “to lead the Japanese Army to chastise the outrageous Chinese,” declared General K. Katsuki on his arrival to Tientsin, reported a *Reuter* dispatch from Tokyo.

July 14.—Reports of continued war preparations in Japan and Korea and the unceasing arrival of Japanese reinforcements greatly increased Nanking's anxiety over the North China crisis.

Chinese government officials returning to Nanking from Kuling declared that while hopes for peace would not be abandoned until the last extremity, but the Government could not and would not stand by and see another large slice of Chinese territory fall into alien hands without a struggle. The North China situation was discussed this morning at a cabinet meeting presided by Dr. Wang Chung-hui.

July 14.—A *Reuter* report from Tokyo stated that the Japanese Office spokesman scouted the idea of foreign intervention in the North China crisis. China's protest demanding the withdrawal of Japanese troops from Lukouchiao and the cessation of dispatch of reinforcements to China was rejected by the Japanese Foreign Office.

July 15.—There was a lull in fighting today, but it was generally regarded as a lull before storm.

July 15.—Lieut-Gen. K. Katsuki visited General Sung Cheh-yuan today and presented terms for a settlement of the North China crisis. Meanwhile rumors were rife that drastic changes in the North China regime were impending, as the Japanese had presented fresh demands which would involve an increased degree of independence from Nanking, important changes in the personnel of the Hopei-Chahar Political Council and measures to restrict to 29th Army.

The Japanese military authorities issued a proclamation at Fengtai, stating that their purpose was to expel the 29th Army. It was generally believed that the Japanese troops were heavily concentrated towards Nanyuan and they were now awaiting the completion of more reinforcements before taking action to achieve their announced purpose.

July 15.—According to a *Reuter* report from Tokyo, the decision of the Japanese government to dispatch troops from Japan Proper to North China was officially announced by the Japanese War Office this evening.

July 15.—The Japanese military were moving more troops into the Peiping-Tientsin area, intensifying war preparations. Trenches were being dug along the Peiping-Mukden Railway and at the Central and East Stations of Tientsin.

July 15.—Gen. Sung Cheh-yuan issued a proclamation at Peiping today, urging the people to remain calm in face of the crisis. Wang Leng-chai, Magistrate of Wanping, reported that Wanping, Lukouchiao and Changhsintien were still being garrisoned by Chinese troops.

July 16.—While conditions in Peiping and its surrounding areas remained quiet with the continuance of the lull, the center of attention in the North China crisis had been shifted to Tientsin, where the peace negotiations were still being carried on between the Chinese and Japanese authorities. General Sung Cheh-yuan, interviewed in Tientsin by a delegation of university presidents from Peiping, was reported to have proclaimed his desire for peace. A *Domei* report today denied that Lieut-Gen. K. Katsuki called on General Sung Cheh-yuan yesterday (July 15).

July 16.—Lieut-Gen. K. Tashiro, until recently Commander-in-Chief of the Japanese Forces in North China, died at Tientsin this morning.

July 16.—Five Japanese Army Divisions, totalling about 100,000 men, had been sent to China since the outbreak of the Lukouchiao Incident, according to reports received in Nanking. Meanwhile, an unceasing flow of trainloads of munitions and military supplies had poured into Tientsin.

July 16.—Hsu Shih-ying, China's Ambassador to Japan, who had been on leave in China, left Shanghai for Japan tonight to resume his duties.

July 16.—Japanese residents in Shanghai and at Kalgan had started evacuating these areas. Many of them arrived at Peiping today.

July 17.—While utmost secrecy surrounded the peace negotiations in Tientsin, rifle and gun fire was again audible in Peiping in the small hours of the morning. Chinese reports stated that the Japanese launched three provocative attacks on Chinese troops at Tachingsun and Japanese troop reinforcements continued to arrive in the Peiping-Tientsin area. *Reuter* reported that the rank and file of the 29th Army were ready to overthrow their leaders, if they should accept a humiliating settlement of the Lukouchiao incident.

An unspecified number of Central Government troops had entered Hopei and arrived at Paoting, according to foreign reports.

July 17.—The attitude of the National Government toward the present situation in North China as revealed in the “summer conversations” at Kuling was “China seeks no war but will not hesitate to accept the challenge of aggressors.”

July 17.—*Domei* reported that the Japanese cabinet today approved the appropriation of ¥10,000,000 for expenses in connection with the North China Incident.

July 17.—China had delivered a memorandum to the Powers interested in the Far East on Japan's present threat in North China. However, it was explained that China had not formally invoked the Nine-Power Treaty.

July 18.—The situation in Peiping suddenly become tense again as a result of new developments today. Japanese military planes today made three separate attacks on Chinese trains at various points on the killed or wounded. The Nanking Foreign Office had lodged a protest with the Japanese Embassy over the incident.

July 18.—General Sung Cheh-yuan visited the Japanese Commander, Gen. K. Katsuki and was said to have expressed his regrets over the occurrence of the Lukouchiao incident. General Sung, however, resolutely refused to sign a written agreement for the settlement of the incident, although he was reported to have given verbal recognition of the truce agreement of July 11. Meanwhile, a *Domei* report from Tokyo stated that Japan could not be satisfied with the “shallow apology” by Gen. Sung and threatened to take decisive steps, unless the Chinese authorities change their attitude promptly.

What Do the Chinese Hope For from the Brussels Conference?

BY C. Y. W. MENG 孟長泳

"One simple man might still prevent the coming war . . . This man is Franklin D. Roosevelt . . . He knows this and he has the consciousness of a historical mission," writes one eminent writer⁽¹⁾ of international relations. ". . . Essentially, the American government reserved the right during these years to deal with the New situation created in the Far East at some later and more opportune time . . . to keep the legal status clear should they decide at some future time to take affirmative action to uphold rights which accrued under the Nine-Power Treaty," writes another eminent writer⁽²⁾ on the Far Eastern relations.

These two quotations—brief as they are—explain far more explicitly than many pages of analysis the real purpose behind the President's famous Chicago speech on October 6 as well as the "purpose" and "mission" of the present conference in Brussels on October 30.

Precisely, in attending the present conference, China hopes nothing more than these! In fact, in resisting the Japanese invasion, the Chinese not only fight for their own national salvation and existence, but also fight exactly for these definite and lofty principles. It is the conviction of 460,000,000 Chinese that should every nation live up to its promises and fulfill its obligations under the treaties, there would be no war. The crisis which is facing the world today, as the Chinese can see it, is not caused by economic or "over-population" problems; nor is it a conflict between the "have" and "have-not" nations, but it is rather due to the wilful and total disregard of the solemn treaties and of world public opinion by certain unscrupulous nations. Therefore, the Chinese hope that the present conference will end such practices once for all!

The present conference is the first of its kind in history that delegates from America, Russia, Germany (possibly Italy) and other principal powers meet in one assembly hall to discuss some of the most momentous problems of the day. The Chinese hope most eagerly that the conference will open a new era in history, and that it will exert greater efforts to save our civilization and humanity from destruction and to make us safe from the horrors of war.

Similarly, the Chinese can also see that the present conference affords another golden—but apparently, the last—opportunity for "Anglo-American co-operation," which really holds the key to the world and Far Eastern situation today! The Chinese hope equally eagerly that neither side will miss the chance this time!

"The Last Ray of Hope"

The Chinese current opinion, that the Conference is being held in Brussels instead of Washington has made the Conference more significant than it would otherwise be is obviously quite true. Belgium was once one of the worst sufferers from the aggression during the World War when her neighbour (Germany) regarded the treaties as only "scraps of papers," and violated Belgian neutrality under the doctrine of "necessity knows no law." Belgium resisted—a situation, however, which plunged the whole world into a most sanguinary war for four solid years. The Belgian delegates are therefore in the best position to impress upon the conference the destructiveness and horror of a modern war, as well as to urge for the cessation of aggression in any part in the world.

But unfortunately, the same situation is happening in the Far East today. Under various pretexts, China's neighboring country has trampled under foot all international treaties and agreements, and has invaded and occupied one-fourth of the Chinese territory. China is offering stiff resistance. That the present situation is exactly analogous to that on the eve of the World War is too plain to need any further explanation by us. Whether a world catastrophe can be eventually averted, only time can tell. But by holding the present conference, the Chinese hope that there is still "the last ray of hope" to save the situation!

China's Demands

The Chinese entertain no extraordinary hopes from the present conference, except "to respect the sovereignty, the independence, and the territorial and administrative integrity of China," as provided in the Nine-Power Treaty. Considering this Article the world can easily tell what the Chinese "aspirations" are; and we may state the following:—

- (1) Immediate and unconditional withdrawal of all Japanese troops, naval and air forces from the North-Eastern Provinces (Manchuria and Jehol), Northern China

(Hopei, Chahar, Suiyuan, Shantung, Shansi) and the territory under the Municipality of Greater Shanghai, without being conditioned upon the demilitarization of these territories.

- (2) Immediate, unconditional and complete restoration of the occupied territories to China, including the immediate and unconditional abolition of the bogus administrations, such as Manchukuo; and immediate re-assertion and establishment of the Chinese de facto control and administration over these territories.
- (3) Total abrogation of all agreements, including the so-called "local agreements," concluded between China and Japan on and after September 18, 1931.
- (4) Immediate and complete cessation of all Japanese subversive activities by the Japanese and their followers.
- (5) Immediate renunciation by Japan of its so-called "continental policy," "Asiatic Monroe Doctrine," etc.

The Chinese unanimously demand this because the non-fulfillment of any of these demands automatically means gross violation, direct contradiction and complete destruction of the spirit and letter of the Nine-Power Treaty.

Beside this, the Chinese will also demand that the conference should exercise more influence for the abolition of the recent German-Japanese Alliance, in the same way as the abolition of the Anglo-Japanese Alliance by the Washington Conference. After all, to end "secret diplomacy," "alliances," etc. is one of the most effective ways of ending aggression in the world.

Such are the Chinese nation-wide demands, prevailing public sentiment and popular voice of the 460,000,000 people, or one-fourth of the population of the world. The Chinese would not be satisfied, nor would they agree, to anything short of the complete fulfillment of all these demands!

The Japanese "Reservation"—The Manchurian Problem

In her reply to President Harding's preliminary invitation of July 27, Japan suggested that such questions as were "of sole concern to certain particular powers or such matters that may be regarded as accomplished facts" should be "scrupulously avoided," and omitted from the conference agenda. With these conditions she accepted the invitation to send delegates to Washington⁽³⁾. The Chinese know that the Islanders are taking the same step. But let us tell the Islanders that such "reservation" is no longer possible at the present conference. The Chinese regard Nov. 3, 1937 as a final settlement day with Japan!

One of its greatest weaknesses and faults of the Washington Conference was its failure to affect such "settlement," so it "merely postponed the day of reckoning in the Far East"⁽⁴⁾. Today, China prefers either to fight to the last, or to effect a "final settlement" of all pending problems with Japan, but China will not take the third alternative—that is, to postpone the day of reckoning. China wants peace, but honorable peace. China wants the conference to discuss not only the "north China" problem, but also all other pending problems.

What Next, If Japan Proves to Be Obstinate?

The Chinese have no objection to mediation by friendly nations, but at the same time, we urge and request more "dignified," "exemplary" and "disciplinary" actions from the conference to end the aggression. We want to preserve friendship among all nations in the world, but we should not permit "the traditional friendship to silence the voice of conscience"⁽⁵⁾.

Nanking, Oct. 21, 1937.

⁽³⁾ Morse & MacNair, *Far Eastern International Relations*, p. 691.

⁽⁴⁾ T. A. Bisson, *American Policy in the Far East*, Foreign Policy Reports, February 1, 1937, p. 272.

⁽⁵⁾ Quoted from the speech of the Archbishop of Canterbury, who demanded sanctions against Japan.

Dissolution of Sino-Japanese Trade Federation Announced

Dissolution of the Sino-Japanese Trade Federation, which was inaugurated last March with the visit of the Japanese Economic Mission headed by Mr. Kodama, was announced Oct. 22. An announcement to this effect was conveyed in a written message by Chow Tso-min and Sing-loh Hsu, respectively Chairman and Vice-chairman of the Federation, to the Shanghai People's Committee for the Severance of Economic Relations with Japan.

⁽¹⁾ Emil Ludwig on "The Coming War" in the March issue of *Current History*.

⁽²⁾ T. A. Bisson on "American Policy in the Far East" in *Foreign Policy Reports*, February 1, 1937.

T. V. Soong Says China Will Be Able to Resist for Two Years, Even With Shanghai Lost

In an interview with the correspondent of the *London Daily Herald* recently, T. V. Soong, Chairman of the Bank of China, warmly declared that even if Shanghai and the provinces north of the Yellow River were lost the Chinese government would not be ready for any truce with Japan. On the contrary, he asserted. China is economically capable of conducting resistance for as much as two years, or longer if necessary. The fall of Shanghai would be regarded as "only the beginning of this war of survival." More than that, continued struggle could and would be reconciled even with the possible seizure of Nanking. "If a truce is possible now we would never have resisted at Liukouchiao. We would have made peace there. We would not have waited for North China to be occupied."

Mr. Soong admitted that the severance of Nanking from its Shanghai industrial base, and the source of about half China's customs revenues, would be a serious blow. It would necessitate organizing a new type of economic base in the interior, on a radically different pattern, but he was of the opinion that the Chinese people were ready to endure the shocks of adjustment. The capacity of China for withstanding suffering and hardship in war had not been tested and was incalculable. He believed the people would cheerfully meet all the demands of the government because they are united in a determined fight for existence.

A speech was broadcast to America over the N. B. C. national hook-up on Oct. 22 by T. V. Soong, in the course of which he said:—"We have no right and we do not ask you to go to war to stop the Japanese menace. The forces of constructive pacifism are, however, immeasurably greater than those of the forces of violence if you only realize it. Japan, like all bullies, is a bluffer. Weak China has already pricked Japan's balloon of invincibility. Japan does not dare, she cannot make war against a combination of peace-loving nations. By frank and sincere cooperation with the nations that actively desire peace and by the determination to employ economic boycott against the aggressor nation, you could dictate peace. Your peace needs only to show a united front and the bully will throw up his hands. And by so doing you will save the world and yourselves from the anarchy that threatens to engulf modern civilization."

Madame Sun Yat-sen Condemns Japanese Military Aggression

Condemning Japanese military aggression in China, Mme. Sun Yat-sen Oct. 20 appealed to evening radio-listeners in a broadcast from Shanghai over the N.B.C. national hook-up.

Madame Sun concluded a stirring appeal in the following words:—"If need be we will fight with our strength alone to stop this Japanese fascist invader. But we have heard the world's expressions of sympathy and rejoiced that we were not alone in our dark hour. The world's denunciations of the ghastly deeds of the Japanese murderers brought comfort to our tortured souls. I have no doubt but that the heart of all America beats in sympathy with our struggle for freedom and independence. We know that we are not fighting alone. We know that our struggle against these fascist marauders is not only our battle, but the battle of all those who still value the cause of freedom and democracy."

"The spontaneous desire to give tangible evidence of your hatred of these fascist monsters by boycotting all Japanese products is of immeasurable help to us in our cause. But there are more immediate needs: Not a single ship should leave American shores with cargo for Japan, for every scrap of your products is converted for use against us. The funds you send us are essential to our struggle, but of greater importance is that a steady stream of munitions and arms to equip our armies be organized. We need arms,—powerful arms,—against this powerful enemy. Let the overwhelming force and voice of righteous American public opinion sweep throughout the world. America need not go to war to destroy this fascist menace in the Far East. The soul-stirring declaration of President Roosevelt epitomized the world's moral condemnation of the deeds of these international hoodlums. Rally to his leadership and help him convert his words into action which will stop this bloody conflagration before it consumes every nation of the world. I appeal to the American people to assume leadership in this holy crusade and I am confident that you will not fail us."

Dr. W. W. Yen Makes an Appeal by Radio to America

Dr. W. W. Yen, former Chinese Ambassador to Moscow, in a radio speech to the American People (delivered over the N. B. C. National Hook-up on Oct. 22, 1937), among other things said:—

"Blessed beyond other countries in the way of climate, soil and mineral resources, you have set for yourselves very high standards of behaviour and ideals, which manifest themselves in your schools and universities, in your churches and in society in general. Even in your foreign relations you have shown consideration, liberality, generosity and general good neighbourliness which have won for you the admiration and respect of the world. You expect to and you do occupy an important and prominent position in the family of nations. What your leaders say or think is always regarded with deference and carries great weight. In the council of nations your representative is given a seat of honour, and everywhere the American citizen is treated with consideration, as the representative of great people and a great culture. *Noblesse oblige*, honours imply obligations. The past history and traditions of the U.S.A. exclude and forbid a policy of isolation. The present generation of the American people will not and cannot permit a retreat from the noble and lofty standards set by their forefathers, but will with undiminished bravery and increased ardour carry them to still greater heights, helping to make the world safer, not only to others but also to yourselves, safer from the evil forces, such as now are devastating the Far East and elsewhere by their cruel aggressions."

Chinese Merchants Take Pledge to Sever All Trade Contacts With Japan

"I hereby pledge to sever all economic dealings with Japan in accordance with rules of the Shanghai Citizens' Commission for the Severance of Economic Relations with Japan. I am willing to receive the severest punishment for any infractions of this pledge." Such is the wording of a pledge form which has been prepared by the Commission to be distributed among the Shanghai populace shortly.

The secret sale of Japanese goods allegedly shipped to Shanghai recently, and disposal of Japanese goods already bought before hostilities, are matters engaging the most serious attention of the All Shanghai Committee for Supporting Resistance Against the Enemy, as well as other Chinese public bodies including the Chamber of Commerce. A search for traitorous merchants and their agents said to be hiding in Settlement hotels has been started. About \$20,000,000 worth of Japanese goods recently shipped to Shanghai is reported to be hidden in buildings in the Yangtzepoo district awaiting customers. Japanese goods bought after the hostilities will be totally confiscated. Those who refuse to have their "enemy" goods registered will have their goods confiscated and they will be publicly prosecuted.

French Workers Urge Boycott as Result of Japanese Barbarism in China

The executive committee of the French General Confederation of Labor adopted a resolution Oct. 22 branding with ignominy the barbarous acts committed by Japanese against the population of China and urged the population of France to boycott Japanese goods.

Japan's Seamen Protest Foreign Boycott Move

A protest against the decision of the American Federation of Labor and the Committee for Industrial Organization to boycott Japanese goods was cabled from Kobe Oct. 24 by the Japan Seamen's Union to William Green and John L. Lewis, Presidents of the two organizations.

Asserting that the two bodies' denunciation of Japan's actions in China as "aggressive" was based on "Chinese propaganda" the Japanese union asked for the withdrawal of the boycott resolutions.

Melbourne Dockers Resume Loading of Japanese Ship

Dock laborers at Melbourne, who two days previously refused to load wheat at Geelong on the Japanese freighter *Tamon Maru*, resumed work Oct. 25. The men had at first stated they would not send "material to the slaughterers of women and children."

British Lord Denounces Barbarity of War in Far East

The barbarity of the war in the Far East was denounced by Lord Snell, on behalf of the British Labor Party, in a speech in the House of Lords Oct. 21 during a debate on international affairs. Japan, he said, was almost certain to win in the long run, but it would mean economic misery to Japan and China.

S. A. Trade Unions to Boycott Nippon

Trade unions throughout South Africa have agreed to a boycott of Japanese goods and materials in response to a suggestion from the Secretary of the British Trades Union Council.

How Japanese Bombers Wreak Destruction in Canton

(Correspondence from Canton)

Villages of Kwangtung Province, fishing and trading junks, the railways and industrial factories and the city of Canton, including unfortified areas of the city, are today the targets for Japanese bombing planes. To protect themselves, the Chinese have a few anti-aircraft guns in the city of Canton and along the railway lines, a few planes and a spirit of resistance. Villages and fishing or trading junks and most of Canton City which have been attacked by bombing planes have no way to protect themselves from death by the Japanese fire. It is impossible to give the exact number of the Chinese dead and wounded. At a conservative estimate the Japanese bombs have killed a total of 800 persons in and about Canton, all of them civilians, some of them women and children who, for the most part, have been killed in areas far removed from anti-aircraft guns.

The Japanese bombers, in addition to bombing residential sections and causing death and injury to many, have tried to destroy the Chung Shan University and the Sun Yat Sen Memorial Hall. The University has a group of beautiful, newly erected buildings which have cost millions of dollars. Japanese bombers have tried to hit these buildings. Bombs have fallen in their vicinity but so far none of them have been hit. The Sun Yat Sen Memorial Hall, built at a cost of four million dollars as a memorial to the leader of the Chinese Revolution, one of the most beautiful auditoriums in the world today, has been attacked twice. One bomb went through the roof causing some damage inside of the hall and, fortunately, a second bomb missed the roof and dropped on the outside of the hall to the east. A third bomb fell in the road by the side of the hall, making a huge hole, but causing no other damage.

In all there were 56 air raids on Canton up to Sept. 11. Planes have just come over my head as I am writing. This means that planes have threatened the city on an average of about twice a day for the last month. The intention of the Japanese is not only to destroy but to intimidate the population of the province.

Canton is a city which has been in the grip of a tremendous fear. I have never realized before the force of fear and how deeply rooted is the desire of mankind to continue living. These fears have their humorous side in the fabulous rumors which have been spread through the city. But it is a tragic humor not to be enjoyed until after the fear has passed. Those who have not been swayed by fear are the exception and not the rule. One old woman I know read in the newspaper that a single Japanese bomb cost a huge sum of money and said she would be glad to have one of them fall on her. It would, she said, mean that the Japs would be just so much poorer and being poor, as she is, she could never have from her own family so expensive a funeral as she would if a Japanese bomb would bury her.

There are several kinds of business which have prospered in this fear ridden city. One is the sand-bag industry; another is the employment of painters to put grey color wash on buildings. The city has within a comparatively few days acquired a grey color such as it had never known before and this has given employment to hundreds of workers who have spread on barrels of grey color wash. Coolies have found employment in trucking and carrying out household possessions.

An encouraging sign in Canton is the organization of Red Cross Units to serve in case of death or wounding by bombing. There are a number of such units in the city and one of them has been supplied by a donation from the Rotary Club of Canton. The direction of the unit is in the hands of Dr. Y. T. Tsang, a returned student from the University of Michigan.

Canton, Oct. 12, 1937.

Japanese Make 65 Air Raids on Nanking in Two Months

Over 200 persons have been killed and 300 others wounded in Nanking as a result of Japanese aerial bombardment during the two months from August 15 to October 15, according to semi-official investigations completed in Nanking Oct. 25. All casualties were non-combatants, including women and children. During the two months, 65 raids were staged by the Japanese over the capital. Eighteen big fires were started at different times by incendiary bombs and no less than 2,000 civilian houses demolished.

Japanese Say Families of Nanking Officials Are Evacuating to Hongkong

The "rapid disintegration" of the Nanking Government was predicted by the *Shanghai United News*, sole Japanese-language paper here Oct. 23. The journal alleged that the families and valuables of leading Nanking officials are being transported to Hongkong by airplane. The paper also alleged that important Chinese documents and other official papers have been taken to Hongkong for safe keeping.

Railway Workshops at Chishihyen Put Out of Action by Japanese Bombers

The railway workshops at Chishihyen between Wusih and Changchow along the Nanking-Shanghai railway have been suspended as the result of intensified aerial bombing by Japanese planes. Since October 12, the Chishihyen workshops have been so seriously damaged by Japanese bombs that they will be unable to function during the next few months, a message from Nanking Oct. 25 stated.

Chinese Match Factory in Pootung Hit by Japanese Incendiary Bombs

Two Japanese incendiary bombs hit the Chinese Hwa Chong match factory at Sankuantang Oct. 22 instantly setting the plant on fire.

Tsinpu Train Ferry Wharf at Pukow Badly Damaged by Japanese Bombers

The Tsinpu train ferry wharf at Pukow, one of the objectives of Japanese bombers which raided the environs of Nanking Oct. 21 was badly damaged.

Japanese Planes Raid Taiyuan Five Times

Japanese planes raided Taiyuan five times Oct. 22. During the third raid, more than 20 explosives were unloaded over the city, killing more than 10 civilians and destroying a number of buildings.

Japanese Stage Night Raid on Hankow

Hankow experienced its first night air raid at 1.50 a.m. Oct. 24 when six Japanese machines, coming from the direction of Kiangsi, circled over the city for over an hour without releasing, however, their load of missiles. At four a.m., a second group of five enemy planes appeared over Hankow again and dropped several bombs near Chungshan Park. Most of the explosives, however, fell on open field and very little damage was done. The planes made a hasty exit when Chinese anti-aircraft batteries went into action.

Canton-Hankow Railway Once More Bombed by Japanese

Important points along the Canton-Hankow, the Canton-Samshui and the Sunning Railways were bombed by Japanese naval aircraft Oct. 23.

Japanese Bomb Sungkiang, Kill 200, Wound 400

More than 200 were killed and about 400 wounded in Sungkiang Oct. 24 when Japanese planes dropped a number of bombs in six different sections of the walled city. Among the victims were high police officers who were newly appointed. The police commissioner was wounded while the superintendent was killed. Forty persons died in an underground dugout in the city. The victims were taking shelter in the dugout which caved in and buried them alive during the concussions caused by the explosions.

23 Chinese Universities and Colleges Burned or Otherwise Destroyed by Japanese

Twenty-three Chinese universities and colleges have been destroyed either by Japanese aerial and artillery bombardment or burned by Japanese troops since the outbreak of the Sino-Japanese hostilities, it was authoritatively learned from the Ministry of Education in Nanking Oct. 20. Universities and colleges in Peiping, which have been left undamaged, have been forcibly occupied by the Japanese forces. Investigations are now being conducted by the Ministry into the number of middle and primary schools so far destroyed by the Japanese. The number of Chinese students arrested and killed by Japanese troops will also be ascertained.

Chinese Universities and Colleges Never Used as Barracks

Japanese allegation that numerous Chinese universities and colleges have been converted into barracks, an allegation obviously made in order to justify their indiscriminate bombing of Chinese educational institutions, was branded in official Chinese in Nanking Oct. 22 as absolutely groundless. For example, it was pointed out, the National Central University in Nanking and the National Chungshan University in Canton were bombed when they were just getting ready to reopen for the fall term. Furthermore, their distance from the scene of actual hostilities made their conversion into barracks unnecessary.

"Manchester Guardian" Explains Reason Why Japan Destroys China's Schools

In a leading article on China's urgent appeal to the International Student Service, the *Manchester Guardian* remarked Oct. 25 that the new feeling for unity in China, which lies behind an enthusiastic advance in every form of national life, has been fostered mainly in her universities. The strength, which has been coming to China as each year a fresh wave of students have carried their ideas from academic discussions to the world outside, cannot have gone unnoticed by Japan. This, concludes the newspaper, explains the destructive attention she has paid to Chinese universities.

Japan's 1938 Budget to Be Drafted on Full War-Time Basis

WITH extraordinary war expenses, relief for the families of soldiers at the front and the National Defense Fund providing the largest items, Japan's 1938 budget will be compiled on a full war-time basis, a *Domei* message from Tokyo Oct. 26 stated. Extraordinary expenses, it was stated, include finances necessary for the services to carry on operations in China. Full agreement is understood to have been reached between the service Ministries and the Finance Ministry. Special appropriations will be included in next year's budget to take care of the families of soldiers at the front, and also to take care of wounded and retired soldiers. Definite steps, according to *Domei*, will be taken by the Finance Ministry to augment the National Defense Fund and also to fill the gap caused by the inauguration of war-time financial and economic policies.

Regarding any further increases in taxation *Domei* understood that the Finance Ministry would await the new year before taking any action.

Details of Japan's Mounting War Expenses Given by London "Financial News"

The Tokyo correspondent of the London *Financial News* wrote Oct. 23 that the expenses of war carried out by Japan in China, are rapidly growing. The share of the budget expenditures falling to the naval and war ministries has now reached about 2,600 million yen, being six times more than in 1931-1932 during the "Manchurian Incident," expenditures on which are increasing yearly. Stocks of the concern of the South Manchurian Railway which is the main nerve of the Japanese aggression on the Asiatic Continent, dropped by ten percent. Stocks of the country's largest shipping company "Nippon Yusen Kaisha" dropped 18%, while stocks of the leading artificial silk producing enterprise, "Teikoku Rayon" fell by 26%.

Huge Unfavorable Balance of Trade

The unfavorable balance of foreign trade of Japan despite the control and restriction of imports, has increased to 777 million yen for the period from the 1st of January to the 20th of August, 1937. The trade with China, Japanese favorable balance of which reached over a hundred million yen, has now completely ceased. The Japanese industrialists in desperate efforts to extend the export of Japanese goods to the foreign markets are not restrained by reductions in export prices despite the high prices of raw materials.

It is not difficult to realize that the reduction in export prices was made on account of the reduction of wages of Japanese workers. This has resulted in a tremendous growth of dissatisfaction among wide layers of the toiling population of Japan, which leads to an inevitable growth of internal upheavals in the country.

Social Masses Party Asks for Nation to Be Placed on War Footing

A resolution urging the Government to place the entire nation on a "war footing" was passed Oct. 20 by the proletarian Social Masses Party which controls 36 seats in the Tokyo House of Representatives. The resolution proposed that this action be carried out through "all administrative reforms necessary for coping efficiently with the grave situation confronting Japan and by enlisting the wholehearted support of the people." Japan's action in China, the resolution asserted, is a "crusade against influences which antagonize and despise Japan, and for the establishment of real peace in the Far East."

Referring to the question of relations with Soviet Russia and Great Britain, both of which, according to the resolution, "are lurking back of China in the present dispute," the problem "defies easy solution and must be solved by the Japanese race as its national mission." The resolution has already been handed to Premier Prince Fumimaro Konoye.

Vice Minister Ota Says Japan Able to Incur Internal War Debts of Yen 40,000,000

The limits of Japan's capacity to shoulder the financial burdens of the war were discussed by the Vice-Minister of Finance, Dr. Ota, in a speech to the Osaka Chamber of Commerce last week in which he recalled the fact that Great Britain, whose annual national income amounted at that time to £2,000,000,000 spent £7,400,000,000 in the World War.

Dr. Ota went on to say that although Japan's financial position could only stand a very relative comparison with that of Britain, and although Japan's heavy indebtedness amounting to some Yen 10,000,000,000 must be taken into account, it was nevertheless conceivable that Japan with a national income amounting at present to Yen 11,200,000,000 would be able to incur internal war debts of Yen 40,000,000,000.

The Minister concluded that in any case Japan could expect no financial assistance from the outside.

Japan's Budget Cut by Yen 202,000,000

Ignoring the exigencies of the moment, the Cabinet Oct. 19 decided to slash the 1937-38 budget by Yen 202,000,000, at the recommendation of the Finance Minister, Okinori Kaya. The representatives of the Fighting Services on the Cabinet concurred with the decision. Of the amount slashed from the scheduled appropriations, Yen 118,000,000 will come from the ordinary accounts and the remainder from the Special Account.

General Araki Confers with Finance Minister

General Sadao Araki, former Minister of War and the newly appointed member of the "brain trust," attached to the Cabinet, Oct. 20 conferred with Finance Minister Okinori Kaya, following the organ's inaugural meeting.

Japan Has Favorable Balance in Second Ten Days of October

Severely restricting imports by means of ministerial ordinances, Japan secured a favorable balance of Yen 12,019,000 in her foreign trade for the second ten days of October.

Exports for the period reached Yen 99,263,000, while imports were valued at Yen 87,244,000. The unfavorable balance of trade since the beginning of the year stood at Yen 719,372,000.

Saito Explains Japan's Stand Regarding China Over Radio

Japan's stand in her dispute with China was scheduled to be explained to the United States on Oct. 27 by Ambassador Hiroshi Saito, over a national network, on "Japan's aims and actions in China."

Japanese Princess Dies of Pneumonia

The Japanese Imperial household Oct. 25 announced the death of Princess Fushimi, second daughter of Prince Hiroshi Fushimi, from bronchial pneumonia.

Japanese Legation Established in Union of South Africa

The Tokyo Foreign Office announced Oct. 26 that the new Japanese legation in Pretoria, capital of the Union of South Africa, had been formally opened the previous day.

Ship Carrying Scrap Iron to Japan Sends Out S.O.S. Call

An S.O.S. call was sent out Oct. 23 by the s.s. *Buffalo Bridge*, en route from Seattle to Japan, with a cargo of scrap iron and logs. The entire crew is Japanese. The message said one boiler was broken, another decommissioned, and that they could not be repaired.

Ashes of 217 Japanese Killed in China War Arrive in Osaka

The *Osaka Mainichi* Oct. 12 recorded that the ashes of Commandant Iwanaga and 216 other fallen Japanese soldiers arrived at Osaka by a transport. After a Buddhist service at the Koyasan Shakain temple in Chikko, Osaka, the ashes were conveyed to their original barracks on the evening of October 15.

Japanese Send War Dead and Wounded Via Formosa and Taiwan

A Shanghai message published in London recently stated that 800 dead and 15,000 wounded Japanese had been shipped from Shanghai Oct. 19 to Formosa, where the corpses were cremated and the urns with the ashes sent to Japan. It is alleged that the majority of the Japanese wounded on the Shanghai front are being shipped to Formosa and Korea, so that the large number should not be known in Japan.

Anti-War Movement Gains Momentum in Japan

The Anti-war movement in Japan is growing rapidly in the Japanese navy, according to foreign circles in Hongkong. Large quantities of handbills of anti-war nature have been seized by the Japanese naval authorities from the cabins of a number of sailors in the Japanese war ships. As a result of this discovery over 20 sailors have been detained and sent back to Japan to face firing squads, the *Sin Wen Pao* of Oct. 23, stated.

Anti-War Handbills Found on Dead Bodies of Japanese Soldiers in Shansi

The existence of an anti-war movement in the midst of Japanese troops now fighting on the China front has been proved by the discovery of handbills in the pockets of dead Japanese soldiers. Anti-war handbills have been found on a number of dead Japanese soldiers at the front, a telegram from Taiyuan Oct. 23 stated. The main arguments offered are: (1) We should not fight for the military and financiers as slaves; (2) Already 200,000 men have been killed since the Mukden Incident of 1931; (3) There is no reason to sacrifice more; China is not our enemy but the militarists are. These handbills are distributed by the so-called "Anti-War Movement of the Japanese Young Men."

Japanese Drive Towards Taiyuanfu Meets Strong Opposition

The Japanese drive towards Taiyuanfu, the capital of Shansi, is meeting with vigorous opposition from the Chinese troops entrenched in the Hsinkow Mountains, in the north of the province, and the Niantzekwan Pass, in East Shansi, a *Reuter* message from Peiping Oct. 25, stated.

A desperate struggle was in progress early this week for Niantzekwan, the entrance into east Shansi, where the Japanese troops are making a determined drive along the Chengtai Railway. Fighting is especially severe at Chukwan, south of Niantzekwan, where the battle is moving back and forth with the Chinese and Japanese forces alternately staging attacks and counter-attacks in the hills which command Chukwan.

Japanese Admit Niantzekwan Still Held by Chinese

The Japanese admitted for the first time Oct. 25 that the Niantzekwan Pass, in east Shansi, was still being held by the Chinese, despite repeated attacks. A semi-official report states that Japanese aeroplanes heavily bombed the Chinese troops entrenched at the Pass throughout the previous day, to facilitate the drive towards Taiyuanfu.

Though they threw their last reserve unit of 1,500 men into action, harassed Japanese forces north of Hsinkow, who started their big counter-offensive Oct. 24 again failed to dislodge the Chinese forces at Nanhuihua, Kuantsun and two other sectors in northern Shansi, a *Central News* message from Taiyuan Oct. 25, stated. Despite the unprecedentedly heavy aerial and artillery pounding, the Chinese defenders still held on with their morale unimpaired by the "heavy sacrifices" they sustained.

Japanese planes in northern Shansi for days resorted to mass bombing tactics on Chinese positions in the hills surrounding Hsinkow. Chinese troops on the right wing continued in control of numerous villages, including East Yunhuatsun and West Yunhuatsun, north-east of Hsinkow which they captured on Oct. 21.

Chinese Recapture Wuchiao

Chinese mobile units on the right flank of the Tsinpu front Oct. 24 recaptured Wuchiao, 10 km. east of Sangyuan in southern Hopei, according to military advices received in Tsinan the following day. Japanese troops there, the reports add, were retreating toward Sangyuan on the Hopei-Shantung border. On the main front, Chinese troops, after crossing the Tuhai River at night on Oct. 23, advanced as far as Changtien station, about 14 km. north of Yucheng where severe fighting was in progress at the time of reporting.

The central column of the Chinese forces launched another attack Oct. 25 on the Japanese north of Sinkow, 60 miles north of Taiyuan, provincial capital of Shansi, a *Kuo Min* message from Taiyuan stated.

Peiping and Tientsin Post Offices Ordered to Name 12 Japanese Advisers

The Japanese military authorities in Peiping Oct. 23 compelled the Peiping and Tientsin postal administration to appoint 12 Japanese advisers. Meanwhile, the postal areas in Chahar and Suiyuan have been completely severed from Nanking's administration.

The Peiping Post Office is said by the Chinese to have been forced by the Japanese gendarmerie to surrender 50,000 worth of postage stamps for use in those provinces. The Japanese are also alleged to be seeking the surrender of stamp-making plates.

Japanese Air Action Frustrates Chinese Thrust on Tehchow

A *Domei* message from Tehchow, Shanghang, Oct. 24 stated that Japanese military aircraft had successfully repulsed a Chinese counter-attack on Tehchow, pivotal strategic center in northern Shantung province. Bombing Fengwangtien and Mayaowu, where remnants of the Chinese 29th Army were concentrated in preparation for an onslaught on Tehchow, Japanese aircraft allegedly dispersed the Chinese legions.

Direct hits were scored on Chinese military establishments at Linyi, about 60 kilometers north of Tsinan, by an aerial force commanded by Lieut.-Col. Motokazu Nakahira.

These aerial bombardments, which set on fire Chinese barracks located in various parts of the town, coupled with determined infantry attacks, forced the Chinese forces in Linyi to fall back on Shangho, 30 kilometers east of Linyi, and upon Tsiyang on the Yellow River.

A letter urging General Han Fu-chu, chairman of the Shantung Provincial Government, to cooperate with the Japanese forces to save Shantung from the horrors of war, was dispatched by the Tehchow Peace Preservation Commission, according to an official of the Commission end of last week.

Shantung Self-Defence Units Are Well Organized

The *Central News* correspondent at Tsinan recently pointed out that Shantung, a densely populated province regarded with

reverence throughout China as the birthplace of Confucius now finds itself directly in the path of Japanese invasion. Ever since the fall of Tehchow, the strategic town on the Hlopei-Shantung border, the situation north of Tsinan has been especially critical. In the vast plain there, there is no natural barrier except the Yellow River for the Chinese troops to stem the Japanese march southward.

In the face of the crisis, Shantung feels thankful for two things on which it may rely for the defense of the province.

The first is the well-organized self-defense units among the Shantung people. Any attempt to subjugate these hardy Shantung natives will, therefore, tax every bit of the Japanese strength. The second thing is the absence of banditry in Shantung, while such evils as opium and gambling have also been largely eradicated. This is important in time of war for, otherwise, gamblers and smokers will fall an easy prey to the Japanese.

Likewise during the bandit-suppression campaign in the province, roads have been built and a census taken. These roads facilitate the transportation of troops while by taking an accurate census all undesirables in the once bandit-infested areas of the province have been weeded out.

Japanese Score Gains in Shantung and Hopei

Slowly nearing the Yellow River, Japanese troops on the afternoon of Oct. 23 occupied Mayaowu, about 12 kms. south of Linghsien, on the highway to Yucheng, a *Domei* message claimed. The Chinese forces, according to a communique issued by the military authorities in Tientsin withdrew, allegedly leaving behind more than 300 dead bodies.

The gain brought the advancing Japanese detachment closer to the strategically important Niantzekwan pass, on the Hopei-Shansi border, whose capture would spell the doom of the Shansi provincial Capital.

"Mongol Empire" to Be Established in North China

A movement aiming at the establishment of "a great Mongol empire," through the rejuvenation and reunion of the 5,000,000 Mongols in North China," is being fostered following the occupation of Chahar and Suiyuan provinces by the Japanese, a *Reuter* message from Tokyo Oct. 26 stated.

A national assembly of Mongols, according to Japanese reports, was scheduled to open on October 27 in Suiyuan, when 500 delegates, representing chiefs and princes of banners or tribes constituting the various leagues, were expected to attend to "decide on the machinery of the new administration in Chahar and Suiyuan."

The new Mongol administration, the same reports state, is likely to be on the following lines:

1. It will be known as the "Mongolian Autonomous Government."
2. It will rule the Silingol League, the Chahar League, the Ulanchap League, the Ikhchao League and the new Tachingchan League, "which has been organized to comprise tribes along the Peiping-Suiyuan Railway."
3. The autonomous government will be headed by a "chief executive," while each league will have its own administrative office and the two cities, Suiyuan, the present capital of Suiyuan province, and Paotow, the western terminus of the Peiping-Suiyuan Railway, "will be organized as special municipalities, all under the direct control of a political affairs department."
4. The "chief executive" will be empowered to issue mandates, which will have the full force and effect of laws, "but which must be countersigned by the Minister of War if they relate to political affairs."
5. A general affairs department will control the Budget "and look after the guiding spirit in the enlightenment campaign."
6. "Each league will be given liberal autonomy."

Prince Yun, chief of the Urad Middle Banner of the Ulanchap League, Japanese reports say, is likely to be chosen "chief executive," while the Prince of the West Sunid Banner in the Silinghol League, or Prince Teh Wang as he is popularly known, "will probably be selected Minister of General Affairs and General Li Shou-hsin as Minister of War."

"The 400,000 Chinese now in Suiyuan and Chahar," the reports add, "will also be represented on the new administration."

"Military Government" of Mongolia to Be Inaugurated

According to reports received in Peiping Oct. 22, Prince Teh has summoned a conference in Pailingmiao at which the entire body of the Inner Mongolia Political Council attended. It is stated that Prince Teh will soon announce the formation of the so-called Military Government of the Mongolian Army. The representative of the Inner Mongolian Political Council in Peiping has been ordered to self-style as delegate of the Inner Mongolia Military Government.

Opening of Nine-Power Conference Likely to Be Postponed Owing to Belgian Cabinet Crisis

Owing to a Ministerial crisis in Belgium, the Nine-Power Conference on the Far East, scheduled to open on October 30, may be postponed for a few days, it was semi-officially announced in Brussels, Oct. 26. November 3 is now suggested as a possible date, but no definite decision has yet been taken.

The crisis in Belgium has been precipitated by the decision of M. Paul van Zeeland, the Premier, to resign in order to have a free hand to defend his actions as Vice-Governor of the Belgium National Bank some years ago.

Belgium may be in the throes of a Cabinet crisis when the Nine-Power Conference is scheduled to open Oct. 30; nevertheless authoritative circles in Paris predicted that the Conference would open on schedule time.

The opening session of the conference (*Havas* stated) will determine whether or not other countries interested in the Far East, such as Germany and the U.S.S.R., ought to be invited. Consequently, debate on the Sino-Japanese conflict will take place only after these states have replied, thus delaying the real deliberations of the conference until November 4.

Britain and the U.S. to Work Together at Brussels

Britain and the United States intend to work together toward an international conclusion of the Far Eastern crisis at the Nine-Power Conference in Brussels, it was reported from London Oct. 25 by the *United Press*. They will attempt to attain peace through mediation and will resist any excited demands for penal action, it was said. Both nations will oppose any action which might antagonize Japan, it was strongly intimated.

Apparently Signor Benito Mussolini wants Japan to attend the conference, reports from Rome indicated, because it was significant that the *Popolo d'Italia*, Il Duce's paper, urged Japan to attend "to keep an account of the intrigues of other powers," and pointed out that Japan could leave if events took an unfavorable turn. The invitation of Russia and Germany to attend the conference was regarded as almost certain by the newspaper, thus assuring Japan at least of Italian and German support, and possibly Portuguese aid, it was indicated.

Asked if it were true that Belgium agreed to postpone the Nine-Power Conference to suit Japan's convenience, the Tokyo Foreign Office spokesman said Oct. 25 that the Belgian Ambassador had conveyed no such information to Koki Hirota, Foreign Minister. He said Japan's formal reply would be ready in a few days, and added: "Japan was invited last, consequently a speedy reply is unnecessary."

Formal Invitation to Attend Brussels Conference Handed to Foreign Minister Hirota

Calling on Foreign Minister Koki Hirota Oct. 21, Baron Albert Bassompierre, Belgian ambassador to Japan, presented a formal invitation to the Japanese Government to participate in the forthcoming Brussels conference of signatories of the Nine-Power Pact.

During the course of the interview, Foreign Minister Hirota informed the Belgian envoy that a formal reply to the invitation would be submitted to the Belgian Government after the invitation was referred to the advisory organ of the Government as well as to Prime Minister Fumimaro Konoye.

The Tokyo press explained that the chance of Japan's unqualified acceptance of the invitation was extremely slim, especially since the League of Nations, which condemned Japan's actions in China, took the initiative in convoking the conference, together with the United States, which openly declared that "Japan's action in China violated the provisions of the Nine-Power Pact and the Kellogg Pact." It is Japan's established policy, the papers pointed out, not to co-operate with the League in its political activities.

Japanese Cabinet Endorses Rejection of Invitation to Brussels Conference

The Tokyo Cabinet Oct. 26 formally endorsed the rejection of the Belgian Government's invitation to Japan to attend the Brussels conference.

America's Participation in Brussels Conference Applauded

The National Peace Conference, comprising 40 organizations, sent a letter to Cordell Hull, Secretary of State, Oct. 25, applauding the Government's participation in the Nine-Power Conference.

U.S. Peace Societies Apprehensive About Conference

Six American peace societies issued a statement Oct. 21 expressing alarm lest the non-application of the Neutrality Act will leave the way open to American participation in sanctions.

Informal Anti-Red Talks Held in Rome

Informal conversations on measures to suppress the Communist movement have been held in Rome between the represen-



By Orr in Chicago Tribune

tatives of the Japanese and Italian Governments, a *Domei* message from Tokyo Oct. 26, stated.

The Italian Government has decided to uphold Japan's action in China, "which is designed against Communistic influences," declared the Rome correspondent of the *Tokyo Asahi* Oct. 20 on the basis of an interview with Italian Government leaders.

Japan Wants to Have Nothing to Do with the League of Nations

In predicting that Japan would refuse to participate in the Nine Power Conference, *Domei* Oct. 24 said the Japanese attitude is that the conference has been convoked under the auspices of the League of Nations, in whose political activities the Japanese Government had long ago decided to take no part. Moreover, Japan's actions in China were of a purely self-defensive nature and, thus, did not violate the Nine-Power Pact.

Italy May Represent Japan at Conference

Italy's policy at the Nine-Power Conference in Brussels on October 30, will be tantamount to adherence to the anti-Bolshevik pact concluded last November between Germany and Japan, according to the Rome correspondent of the *London Daily Telegraph* Oct. 25. It was indicated that Italy would represent Japan at the Conference.

London "Times" Not Hopeful of Outcome of Nine-Power Conference

The *London Times* Oct. 23 stated that in all the circumstances it could not be said that the outlook of the Nine-Power Conference in Brussels is particularly hopeful. Japan has indicated in advance, this great British journal asserted, the resentment and distrust with which she views outside attempts at mediation. China has waged a struggle for existence with considerable success, and neither the temper of the people nor the considered policy of the

Government will at present tolerate for a moment the idea of peace save on terms wholly unacceptable to Japan.

It will be folly, therefore, the *Times* proceeded, to expect from the Conference a magical formula to separate the combatants as pepper breaks up a dog fight.

The calling of the Nine Power Conference in an effort to end the Sino-Japanese conflict was warmly welcomed by Anthony Eden, British Foreign Secretary, in initiating a debate on foreign affairs before a packed House of Commons Oct. 21.

"We warmly welcome the summoning of the Nine-Power Conference," declared Mr. Eden after he had recounted the efforts of the British Government to promote a settlement, "because in our view a meeting of the Powers principally concerned in the capital of one of the signatories of the Nine-Power Treaty is the best hope of finding a means to put an end to this unhappy conflict."

U.S. Secretary of State Summons "Outraged Conscience of Mankind" in Favor of Peace

International lawlessness was assailed by Cordell Hull, American Secretary of State, in a speech at Toronto University Oct. 22 after he had been presented with an honorary doctor's degree. He summoned the "outraged conscience of mankind" to set in motion forces designed to restore world peace. "Just as, sooner or later," he declared, "the outraged conscience of a community or nation sets into motion forces which re-establish order under law, so I firmly believe that the outraged conscience of mankind will set in motion forces which will create, in the sphere of international relations, an unshakeable order based on law." There was, he added, special appropriateness in saying this on British soil.

Official and unofficial Chinese quarters in Shanghai expressed the greatest satisfaction over the statement made by to American Secretary of State Hull.

Nanking Ministry of Foreign Affairs Cables Instructions to Chinese Delegation

Definite instructions were cabled from Nanking Oct. 25 by Dr. Wang Chung-hui, Minister of Foreign Affairs, to the Chinese delegation to the Nine-Power Conference, to discuss measures for the settlement of the Sino-Japanese conflict at the Brussels Conference. The Chinese delegation is composed of Dr. Wellington Koo, Ambassador to Paris; Quo Tai-chi, Ambassador to London; and Chien Tai, Ambassador to Brussels.

Political circles in Nanking, however, entertain no extravagant hopes regarding the outcome of the Conference.

Japanese Daily in Shanghai Continues to Harp on the "Realities of the Situation"

Japan's intention, the Shanghai *United News*, the local Japanese daily, said Oct. 22, is "to chastise China for obstructing Japan's efforts to establish lasting peace in the Orient." If, however, China "awakens to the realities of the situation and reconsiders her attitude, Japan," according to the journal, "will be glad to cooperate with China." "The latter," the newspaper said, "must adhere to the sound principle,—Peace in the Far East can be Established by Asiatics alone,—and rectify the selfish policy followed by Gen. Chiang Kai-shek, who even went to the extent of collaborating with the Communists."

Japanese Consul at Vladivostok Appointed Minister to Finland

Yujiro Sugishita, for many years Japanese Consul-General at Vladivostok, has been appointed Minister to Finland.

Asia Under Japan Danger to World, Lord Cecil Declares

A Japanese Asia would be a danger to the world, declared Viscount Cecil, President of the League of Nations Union, presiding at a meeting in London Oct. 22 in connection with the first British national congress of the international peace campaign.

America Warned of Rash Action by Alfred M. Landon

"We are faced with a situation where the President may make a mistake that would indeed be tragic and might lead to war," declared Alfred M. Landon, Governor of Kansas and unsuccessful Republican candidate in the last Presidential elections, in a broadcast speech Oct. 19.

Kellogg Brands Nippon Action Pact Violation

Japan's present action in China is not consonant with provisions of the Paris Pact of 1928, Frank Kellogg, co-author of the Briand-Kellogg pact, declared in St. Paul (Minnesota) Oct. 20.

Roosevelt Denies U.S. and Britain Agreed on Asia

The United States will enter the Nine-Power Conference "without commitments on the part of this government to other governments," declared President Roosevelt in a statement Oct. 19. The President declared that the purpose of the Conference would be to seek, by agreement, a solution of the present situation in China. "In our efforts to find that solution," he added, "it is our purpose to cooperate with other signatories of the Treaty, including China and Japan."

European War Is Improbable, Says Robert Bingham

Optimism regarding the European situation was expressed by Robert Bingham, United States Ambassador to Great Britain, before his departure for England aboard the liner *Queen Mary* from N. Y. Oct. 20. War, he added, was most improbable.

President Roosevelt Reaffirms American Peace Policies

President Roosevelt reiterated his policy for peace throughout the world in the Armistice Day Proclamation issued Oct. 23.

"With lawlessness and strife in so many places in the world, which now threaten international security—even civilization itself—it is particularly fitting that we again express our wish to pursue a policy of peace, to adopt every practicable means to avoid war, to work for the restoration of confidence and order among nations, and to repeat that the will for peace still characterizes the great majority of the peoples on earth," the Proclamation read.

H. G. Wells Pays High Tribute to President Roosevelt

H. G. Wells, prominent British writer, declared to the press in New York Oct. 23 after his visit to President Roosevelt, that he could not imagine a more honest man than President Roosevelt in control of a great state. He added that he did not think there was any danger of a dictator in him.

Thomas W. Lamont Says He Is Convinced That Boycott Against Japan Would Be Useless

Commenting on the Far Eastern situation, Thomas W. Lamont, Director of the Morgan Bank, stated in Chicago Aug. 22 that an embargo or a boycott would be useless unless it was backed by an armed blockade, and would only irritate the country subjected to the embargo, and also cruelly affect women and children. Even if the United States agreed to take this step, he added, the main responsibility would lay with Great Britain.

Hamilton Fish Urges U.S. Neutrality

President Roosevelt has shown direct "defiance" of the intent of Congress and the will of the American people to "preserve neutrality and keep us out of war," said Representative Hamilton Fish, Republican from New York, in a radio broadcast Oct. 22. Stressing that America is insensitive to the tragic war in the Far East, Mr. Fish said that "all Americans sympathize with the Chinese and deplore the bombings of non-combatants—particularly Chinese women and children—by Japanese aeroplanes. "However," he added, "wars of conquest have been raging in China for 3,000 years among the Mongols and the Manchus and more recently on the part of numerous predatory plundering war lords."

Former Consul General Suma Pleads Japan's Case in U. S.

An appeal against foreign intervention in the Sino-Japanese dispute was made in Cleveland Oct. 23 by Yakichiro Suma, Counsellor of the Japanese Embassy in Washington and former Consul-General in Nanking, in an address before the Foreign Policy Association. Mr. Suma predicted "a satisfactory and reasonably quick settlement with China if no outside encouragement or assistance is given to the Chinese forces and if no difficulties are made for us by other countries."

All Sections of British Nation Asked to Unite to Relieve China Distress

A moving appeal to the British nation for contributions for the relief of war sufferers in China was broadcast Oct. 20 by the Lord Mayor, who elaborated upon the joint appeal issued by the China Association, the British Red Cross and British Missionary societies on October 2. The Lord Mayor believed that all sections should unite in relieving distress in China.

Japanese in Hawaii Are a Stumbling Block to Securing of Statehood

As long as the Japanese in Hawaii claim allegiance to Japan as well as to the United States, there is little chance of the Islands becoming a state, said Senator Millard E. Tydings, of Maryland, Chairman of the Senate Committee of Territories and Insular Affairs, at the conclusion of the Hawaii "statehood" hearings in Honolulu, Oct. 23. Other Senators and Congressmen expressed similar views.

Short Cut to Orient Through Aleutian Islands Being Surveyed

A short-cut to the Orient through the Aleutian Islands has been charted by the United States Coast and Geodetic Survey after ten strenuous weeks in the swirling fogs and among the surf-hammered rocks of Unimak Pass, a recent *Reuter* message from Dutch Harbor, Alaska, stated. Soundings along the north side of the Pass, which is located off the southern coast of Alaska, have been completed by the U.S. Coast and Geodetic Ship Discovery. Their soundings were made along a 38-mile stretch, which long has terrified mariners because of great ground swells that pile huge breakers on an inhospitable beach.

Gen. Ho Cheng-chun Takes Office as Acting Governor of Hupeh

Gen. Ho Cheng-chun, Director of the Wuhan Provisional Headquarters of the Chairman of the Military Affairs Commission, was appointed by the Executive Yuan Oct. 5 to act concurrently as the Chairman of the Hupeh Provincial Government during



GEN. HO CHENG-CHUN
Acting Governor of Hupeh

the absence of Governor Huang Shao-hsiung, who had been called to Nanking to participate in the military action against Japan. Gen. Ho was warmly welcomed by the commissioners of the different provincial departments headed by Lu Chu, the Secretary-General. Speaking at the morning's memorial meeting which was attended by a large number of officials and staff members of the Provincial Government, Gen. Ho explained and reminded the audience of the seriousness of the present national crisis and enunciated the guiding principles which he would follow in administering the affairs of the province. There have been no changes in the personnel of the Government's staff.

With a long list of meritorious services under the aegis of the present Nanking Government, Gen. Ho was best befitted to head the Provincial Government at this time of trial, in addition to his military duties. For the past many years, he has been quite ably discharging his duties in various military capacities in the maintenance of peace and order of the province. His return to political power in Hupeh is therefore welcomed by all.

S. Y. C.

Japanese Claim Fishing Boats They Sunk Were Actually Armed Pirate Junks

The Commission of Inquiry, appointed by the Hongkong Government to investigate the alleged sinking of 12 fishing junks, on September 22, by Japanese warcraft, concluded its findings in Hongkong Oct. 22. Included in the final evidence was the statement made by Police Inspector Hopkins, an ammunition expert, that a bullet extracted from one of the victims was of the type known as incendiary.

The Tokyo Foreign Office spokesman, Oct. 22 remarked that the "self-styled Chinese fishermen of the junks attacked have testified that the junks were equipped with one to four old-style cannons."

"We have never heard of a fishing boat with such armaments," the statement declared. "The Chinese testimony, therefore, must be taken as a confession that the allegedly attacked junks were pirate junks which infest the neighborhood of Bias Bay."

The spokesman mentioned that the "Hongkong Government in 1926 revised the Pirate Law for the purpose of strengthening control over Bias Bay pirates, but failed to obtain satisfactory results. Britain then decided to negotiate with Japan for joint action. An understanding was reached between the naval commander in Hongkong and the captain of the Japanese patrolship *Uji* in Canton to watch over Bias Bay, effective from January 1928."

The spokesman recalled that the Canton authorities unsuccessfully sent expeditions against the pirates in 1923 and 1924. Great Britain, in April 1927, the spokesman continued, sent four warships and the aircraft-carrier *Hermes* to Bias Bay and destroyed 110 houses and 50 junks, while in September 1928 she landed 500 marines against the pirates. "These facts," he adds, "should serve to make clear the circumstances surrounding the action taken by the Japanese Navy against the pirates during the past weeks."

Hongkong and Naval Air Forces Hold Maneuvers, Use Live Bullets

The British naval and air forces in Hongkong staged a series of maneuvers during which live bullets were used Oct. 25. The fortresses on land also are staging sham battles for three days.

Japanese Planes and Submarines Trespass in Portuguese Area

Five Japanese aeroplanes flew over Macao Oct. 22. A Japanese submarine was also discovered in the territorial waters of Macao on the same date.

China Electric Company LIMITED



Manufacturers and Importers of
Manual and Automatic Telephones
and Radio Equipments.

SHANGHAI NANKING

CANTON TIENSIN

Shanghai Office: 269, Lay Road
Tel. 50100

In the United States Court for China

In re.

ESTATE

of

MARY LETITIA
CHANDLER,

Deceased

Cause No. 4258.

Special Proceedings

No. 2137.

NOTICE

Pursuant to an Order of said Court notice is hereby given to all persons having claims against the estate of Mary Letitia Chandler, deceased, to present the same with vouchers to the undersigned on or before May 1st, 1938, and all persons owing debts to said deceased are hereby notified to make payments of the same in due course to the undersigned.

James B. Davies, Administrator
c/o Allman, Davies & Kops,
208 Hamilton House,
Shanghai, China.

Shanghai, China.

Dated October 26, 1937.

CUSTOMS NOTIFICATION No. 1620.

The public is hereby notified, with reference to Article VII of the Regulations governing the Issuance of Consular Invoices laying down that —

"Merchandise sold to two or more different importing firms or carried by two or more different vessels or destined for two or more different ports shall not be covered by the same consular invoice":

that the Wai-chiao Pu have now issued the following instructions:—

- (1) When one consignment of goods covered by one consular invoice is imported by several consignees, the original invoice is to be considered as invalid and fines will be imposed in accordance with standing instructions.
- (2) The term "consignee" as used in the Consular Invoice Regulations refers to those who actually take delivery of cargo at the time of its importation, and accordingly when one consignment of cargo valued at over G. U. 90 is applied for separately by several consignees, or when it is evident from the delivery orders, manufacturer's invoices, or consular invoice that a particular consignment of goods valued at over G. U. 90, though covered by only one bill of lading and applied for by only one importer, is actually for several different consignees, then a separate consular invoice is to be required, in accordance with Article VII of the Consular Invoice Regulations, from each consignee whose goods exceed G. U. 90 in value. If, however, on such occasions the original consignment of goods is divided up between a number of consignees in such a way that no individual consignee imports goods exceeding G. U. 90 in value, then one consular invoice only will be required.

CHU CHANG-NIEN,
Superintendent of Customs.

L. H. LAWFORD,
Commissioner of Customs.

CUSTOM HOUSE,
Shanghai, 21st October, 1937.

Tokyo Press Reports Revolt in Sinkiang

A Mohammedan revolt in Sinkiang, suppressed with "extreme severity" by Soviet troops and air force, was reported by Tokyo newspapers Oct. 21. Mohammedan troops, led by Gen. Ma Chung-ying, the stormy petrel of China's northwestern frontier provinces, had, according to the reports, occupied the Kashgar and Khotan areas, defeating the troops of Gen. Sheng Shih-tsai, Governor of Sinkiang. The rebels' slogan, the reports said, was: "Down with the Han (Chinese) Race and the Communists."

Co-operating with Gen. Ma, the ever turbulent Mohammedan troops in Kansu occupied Hami, thus cutting off all communication between Kansu and Sinkiang.

The revolt, the newspapers alleged, was put down by Soviet troops and 15 Soviet airplanes, which bombed Yarkand, Karghalik, Guma, Khotan and other towns in the Southwestern Sinkiang.

Sinkiang Situation Normal—Japanese Rumors Refuted

It has been confirmed that, contrary to Japanese reports, the situation in Sinkiang is quiet. There is and has been no civil conflict between General Ma Chun-ying and Sheng Shih-tsai in that Province.

On the other hand, messages received here indicate that anti-Japanese movements are in full swing in Sinkiang. The Japanese purposely created such rumors, because they entertain great hatred against the anti-Japanese movement in Sinkiang, the *Chunghwajih-pao* of Oct. 23, stated.

Soviets Execute 24 as Japanese Agents

Twenty-four alleged Trotskyists, stated to be agents for the Japanese intelligence service, were executed at Svobodny Oct. 18. They were charged with sabotage in connection with the Far Eastern Railway and plotting the assassination of Soviet leaders.

Ten other executions for alleged grain wrecking have also taken place in different parts of Russia today.

Tientsin White Russians Made Move to Unite Various Factions

Various groups of White Russians in the Tientsin area inaugurated an Anti-Communist Society in Tientsin Oct. 10. The move was made with the intention of uniting the factions among the 4,500 White Russians now residing in the district. Before the outbreak of the China incident there was a pro-Soviet anti-Japanese faction, a pro-European anti-Communist faction and a pro-Japanese anti-Communist faction. Allegedly sponsored by the Kuomintang Party, the pro-Soviet anti-Japanese group was most influential in the locality, it is understood.

After the incident, however, and with the decline of anti-Japanese Communism in North China, the pro-Japanese anti-Communist group gained rapidly in strength and, according to *Domei* with the co-operation of various other bodies, has taken the lead in forming an anti-Soviet society in which all the White Russians in Tientsin are expected to be incorporated.

Lungyen Iron Mine in Chahar to Be Developed by Japanese

The famous Lungyen iron mine, in southern Chahar Province, will be developed by Japanese, according to the Nikkan Kogayō, which attaches significance to the project in view of perfection of the Japan-Manchukuo-North China economic bloc. The Lungyen mine is said to contain an enormous deposit, totaling about 100,000,000 metric tons of 52-to-60 per cent ore.

The first step will be construction of a furnace at Shihchinshan, near Lungyen, with a capacity of 80,000 metric tons of pig iron.

Szechuen Director of Revenue Executed Following Embezzlement of Funds

Having been found guilty of embezzling public funds, Meng Shih-i, Director of the Revenue Bureau for eastern Szechuen, was executed by shooting Oct. 21 at the Chungking Provisional Headquarters of the President of the Military Affairs Commission. A native of Shansi, Meng had been in charge of revenue affairs in Szechuen during the past four years. It is learnt that six other revenue officials are being detained at the Provisional Headquarters to answer charges of corruption.

Shanghai City Government Protests for Second Time on Shooting by Italian Marine

That the Italian marines on guard at Soochow Creek should be held responsible for shooting two Chinese last month was asked last week in a second protest filed by the City Government of Greater Shanghai. It was complained that the Italian marines should not have shot the workers without resorting to other methods after giving a verbal warning in the Italian language, which the workers could not be expected to understand.

British Rifleman Dies, Following Machine-Gunning by Japanese Plane

Rifleman W. McGowan, of the Royal Ulster (British) Rifles, was killed during the afternoon of Oct. 24 by a machine gun bullet fired from a Japanese plane, while he was on duty at "Q" post, in Keswick Road, an "outside" Shanghai Settlement road. He died on admission to the British Military Hospital at 3.55 p.m. British military headquarters expressed the opinion that the machine gunning constituted a deliberate attack. After one of their number had been killed, the N.C.O. in charge gave the order to open fire with a light automatic gun, and several rounds were directed towards the plane, but without any visible effect.

Japanese naval and consular officials the same night conveyed to the British authorities their "deep regrets" for the Keswick Road Affair. Acting on behalf of Vice-Admiral Kiyoshi Hasegawa, Commander-in-Chief of the Third Fleet, Rear-Admiral Rokuzo Sugiyama, chief staff officer, called on Admiral Sir Charles Little, Commander-in-Chief of the British naval forces in the Far East, to express regrets. The Japanese authorities said the affair was the result of an error on the part of naval fliers, who mistook British outposts for Chinese. The local British authorities said a settlement of the incident would have to be made from London. The reports from London indicated that the British Government's attitude is that "expressions of regret" are not sufficient.

One of the results of the incident was that the British Military Headquarters have requested civilian riders not to proceed along Keswick Road for the present. However several civilians have seen fit to disregard the request,—nor is this surprising, seeing that this road is within the British sector. The next we will probably hear is a request from the Japanese to the British to withdraw their defence forces from that area!

Five Chinese civilians on the road nearby were shot dead and four others wounded by the same machine-gun fire that snuffed out the life of the British sentry. Another member of the Ulster Rifles was struck by the machine-gun fire. Fortunately the bullet only scratched his leg and riddled a cigaret tin in his pocket.

Several prominent foreign residents, horseback riding in the immediate vicinity at the time, narrowly escaped the Japanese bullets by dismounting and taking shelter in the shrubbery by the roadside when the plane commenced its dive. Of the stampeding mounts, however, one was killed directly and two others were so seriously wounded that they had to be destroyed later. Included in the riding party were G. Findlay Andrew of Butterfield and Swire, British; Norwood F. Allman, H. D. Rodger, both American attorneys-at-law, and Mrs. C. H. Sprague, Dick Harris H. W. Pflug, all American citizens; and L. Riggio, Italian.

According to a German resident who was riding along Keswick Road at the time, and himself had a very narrow escape from death, a single airplane circled over the British post, and opened fire on a number of foreign riders proceeding along the road, and on the British soldiers manning the post. The German rider, who was accompanied by a German companion, had his horse shot dead under him, but both men, by a miracle, escaped injury.

The deceased rifleman was given a military funeral, at which representatives from all the defence units in Shanghai (except Japanese) were in attendance.

Japanese to Pay Solatium to Relatives of Deceased Rifleman

In a formal note by Foreign Minister Hirota to the British Ambassador in Tokyo "sincere regrets" were expressed for the accidental killing of Rifleman McGowan. Mr. Hirota assured the British envoy, according to the Japanese naval spokesman here, that disciplinary measures against the officers responsible would be taken after due inquiry. Moreover, Mr. Hirota voiced the readiness of the Japanese Government to pay a solatium to the relatives of the victim.

In addition to the British protest, the American and German Consuls General also sent protests to the Japanese authorities regarding the Keswick Road airplane attack.

Bellanca Planes to Go to French Indo-China?

A *Domei* message from Los Angeles, Oct. 23 stated that the nineteen speedy Bellanca planes, whose delivery to China aboard the *M.S. Wichita* was prevented by the issuance of a departmental order by President Franklin D. Roosevelt, were scheduled to leave said port on that date by train for San Francisco, where they will be put aboard a Netherlands' freighter bound for French Indo-China. The planes are classified as "mail aircraft," but are reported to be capable of easy conversion into bombers.

Soochow Visited 18 Times by Japanese Planes in One Day

Soochow was visited by Japanese planes 18 times during the period from 6 o'clock in the morning to 6 o'clock in the afternoon Oct. 22.

Missionary Teachers Home, Not the Girls' School, at Nanchang, Destroyed

Wm. R. Johnson, of the Nanchang Academy, writes *The Review* as follows: "On page 92 (Oct. 25) in your list of institutions destroyed by the Japanese, you report the Bao Lin Girls School as completely destroyed. This school belongs to our Methodist Church. The two large school buildings in the group of buildings in the school compound were but slightly damaged by the breaking of glass and the chipping of brick and tile from shrapnel. It was the home of the missionary teachers, one mission house, that was entirely destroyed by an incendiary bomb, and that house only."

Chinese and American Tobacco Companies Lose Heavily as Result of War

Chinese tobacco merchants, most of whose factories were located in Hongkew, are among the worst sufferers in industrial circles as a result of the hostilities, having lost about \$50,000,000 including their machines. The biggest sufferers are the Nanyang Brothers Tobacco Company and the Hwa Cheng Tobacco Company.

Universal Leaf Tobacco Co. Loses U.S. \$200,000

The Universal Leaf Tobacco Company announced in New York Sept. 30 that it had suffered losses amounting to U.S. \$200,000 as a result of destruction of 1,500 hogsheads of tobacco by fire in godowns in Shanghai, because of the Sino-Japanese hostilities. It was the second big loss suffered by the company in recent years. It lost \$470,000 in Spain because of the civil war there.



YOU ARE
JUST AS OLD
AS YOU FEEL!

At middle age and in advancing years many men, and women too, find their health slipping, vague aches and pains assail them and they are at a loss to know the cause. In most such cases a tonic for the blood, to repair the wear and tear on the nerves and tissues will usually restore normal healthy well-being, for on the condition of the blood good health depends.

Because they create fresh supplies of rich, red blood, Dr. Williams' Pink Pills are an invaluable tonic imparting new life to the whole system, restoring digestion, strengthening the nerves and preventing those aches and pains which are so often the cause of a rapid decline in later years.

Many men and women to-day are thanking Dr. Williams' Pink Pills for the good health they enjoy; here is the experience of a couple in Australia:

"Most people think my husband is only about fifty years old, actually he is seventy but is very active," writes Mrs. E. Meriton, Main Street, Korong Vale, Victoria. "The reason is that whenever he gets tired and a bit off-colour he always takes Dr. Williams' Pink Pills which keep him wonderfully well. I take these pills too, for when I was young I suffered from anaemia and my mother gave them to me and I made a splendid recovery. Now whenever I get run down, Dr. Williams' Pink Pills soon make me well again. They put wonderful life into us and we rarely feel weary and tired."

For all ailments arising from an impoverished condition of the blood, such as digestive disorders, insomnia, emaciation, premature ageing, rheumatism and its kindred ailments, Dr. Williams' Pink Pills are the ideal remedy. They are equally good for men and women at all stages of life. Begin your cure to-day. Chemists everywhere sell them.

Dr. Williams' Pink Pills.

Keep You Well and Vigorous.

Men and Events

Shigehara Matsumoto returned here last week from Japan to resume his post as chief of the *Domei News Agency*.

Colonel L. G. Robinson Oct. 22 was appointed Assistant Director of Supplies and Transport with the British troops in China.

Vice-Admiral Sir Percy Noble has been appointed Commander-in-Chief of the British China Station in succession to Admiral Sir Charles Little.

William H. Chamberlin, *Christian Science Monitor* correspondent in Japan, is at present making a tour of Manchuria and North China, which will last about a month.

Takeo Ito, former head of the Tientsin branch of the South Manchuria Railway Company, has arrived here to become chief of the Shanghai Bureau of the S.M.R.

U. S. Navy Day (Oct. 27) was observed quietly by the officers and crew of the U. S. S. *Augusta*, and other American naval vessels, at present on duty in Shanghai. There was no public function this year.

An appeal to the Rotary International to exert its efforts towards the restoration of peace has been sent by Rotarians in China through Dr. Fong Sec, director of the Rotary International in China.

British subjects intending to travel by road between Shanghai and Nanking in the future will do so at their own risk, according to an official notice issued by Herbert Phillips, British Consul-General, last week.

The promotion of Y. L. Chow from his post as counsellor to that of secretary-general in the City Government of Greater Shanghai was officially approved by the Executive Yuan at its meeting in Nanking Oct. 20.

Harold Butler, director of the International Labor Office, departed from Geneva on Oct. 28 for the Far East. Mr. Butler will visit only the British and Dutch Indies on account of the present conflict in China.

Rear-Admiral Shinjiro Yamamoto, retired, will leave Tokyo in November for Rome as the "goodwill envoy" of Japanese Catholics to the Vatican. Prior to his journey to Europe, he will visit North China and Shanghai.

General Chiang Po-li, one of China's most outstanding strategists, will shortly visit Germany. He will be received by General W. von Fritsch, Commander-in-Chief of the German Army, and other prominent Army leaders.

Colonel L. P. Sung, secretary to General Yang Hu, has been appointed to the concurrent post as secretary and liaison officer to the headquarters of General Chu Shao-liang, commander-in-chief of the Chinese troops operating in and around Shanghai.

Following repeated exchanges of views between the Ministry of Finance and the National Health Administration, a decision has been reached to the effect that henceforth all medical supplies and surgical instruments will be exempted from import duties.

Attractive girls, who once drew flocks of pleasure-seekers to the "Blue Bird" cabaret on North Szechuen Road, are now ministering to the needs of tired soldiers at a free comfort booth at the Hongkew Market, the *Shanghai United News* reported Oct. 24.

The Williamson steamer *Kaitangata*, under charter to the Socony Vacuum Co., and loaded with 27,000 cases of aviation petrol, was totally destroyed by fire in the China Sea Oct. 25. Foul play is suspected. Most of the crew were saved by the Butterfield & Swire steamer *Nanning*.

Introduced by Liao Shih-chin, section chief of the International Publicity Bureau of the Central Party Publicity Department, M. Helsey and M. Morant, war correspondents for *Le Journal* and *Le Petit Journal* of Paris, were received by General Chiang Kai-shek in Nanking Oct. 23.

Dmitrii Bogomoloff, Soviet Ambassador to Nanking, who left his post in Shanghai by air for Moscow last month, will leave the Soviet Capital on his return journey on Nov. 7, after witnessing the celebrations of the 20th anniversary of the Soviet Revolution, a *Domei* message from Tokyo Oct. 23 stated.

Bishop F. Schraeven a Netherlander, and eight other foreigners of French, Netherland, Austrian, Czechoslovakian and Polish nationality were kidnapped from the Roman Catholic mission at Chengtingfu, on the Peiping-Hankow Railway, on October 9, according to belated reports reaching Peiping Oct. 25.

Marshal Chang Hsueh-liang, who ten months ago imprisoned Gen. Chiang Kai-shek in Sian, has emerged from his retirement to assume the post of a liaison officer between the Nanking Government on the one hand and the Communist Army and Moscow on the other, Tokyo newspapers alleged Oct. 23.

C. J. Chancellor, General Manager of *Reuters*, proceeded to Nanking end of last week. He was accompanied by L. C. Smith, *Reuter* correspondent, who arrived in Shanghai last Saturday from Europe via Siberia. Mr. Smith will join *Reuter's* office in Nanking and remain at the capital for an indefinite period.

Mr. and Mrs. B. W. Fleisher (*Japan Advertiser*) departed last week from Yokohama for the United States. They plan to spend the winter months in southern California. Mr. Fleisher, in an interview at Honolulu advised the United States to stay on the side-lines in the present Far Eastern critical situation.

The Shanghai New Language Study Association has recently obtained the approval of the local Social Affairs Bureau regarding its work of encouraging the use of the Latinized Chinese, which will help the spread of universal education during the war period. A plan has been under way for offering a class for the training of teachers of Latinized Chinese, in collaboration with the Training Committee of the Cultural National Salvation Association.

The Shanghai Municipal Council Oct. 21 issued a notification to the effect that no newspaper, magazine, periodical or pamphlet shall be published, printed or distributed in the International Settlement unless registered with the Shanghai Municipal Council. No association, organization, labor union or club shall operate in the International Settlement unless registered with the Shanghai Municipal Council. Application for registration is to be made to the Commissioner of Police.

The China Electric Co., Ltd., writes to inform *The Review* with reference to the recent report from Nanking to the effect that this company is in liquidation is incorrect. The facts are that although the former agreement with the Ministry of Communications at Nanking expired on Oct. 20, this year, the company is functioning and will continue to function as a Delaware corporation. This company is mainly engaged in the manufacture and importation of telephone, telegraph, radio and electrical machinery and apparatus.

The United States naval transport *Chaumont*, bound for Yokohama via Tsingtao and Chefoo, with about 20 American civilian passengers from Shanghai, during the forenoon of Oct. 20 struck the Italian cruiser *Montecucoli* knocking down two stanchions and damaging the base of an anti-aircraft gun as well as putting a small hole in the side of the ship. The transport also damaged the A.P.C. pontoons off Canton Road. As the *Chaumont* was drawn downstream by the strong tide, she dragged her anchor and snapped the telephone cables of the U.S.S. *Augusta*, H.M.S. *Cumberland* and the French cruiser *Lemonte Picot*.

Teachers in Japanese Schools in Shanghai Return to Japan

Approximately 100 teachers of Japanese schools in Shanghai will return to Japan until the beginning of the new year as a result of a decision reached by the assembly of councillors of the Shanghai Japanese Residents' Corporation last week.

"A \$500,000 loan," according to the *Shanghai United News*, has been made by the Corporation through the good offices of local Japanese bankers in order to carry the plans for the evacuation through. The temporary withdrawal of the teachers, the paper said, was brought about by the recent decision to keep Japanese schools in Shanghai closed till next year.

American Ambassador Protests Plane Flights Over Shanghai Foreign Settlement

Formal written protest against flights by bomb-carrying Chinese planes over the International Settlement and the French Concession of Shanghai was made to the National Government last week by American Ambassador Nelson T. Johnson at Nanking, following a report from Consul General Gauss.

Mr. Johnson's written representations pointed out the dangers inherent in the practice of allowing Chinese planes to pass over the foreign areas on their way to Japanese positions in Hongkew and Yangtzepoo and the Japanese warships in the Whangpoo. He said that previous assurances which had been given had not been fulfilled and that the planes have been flying, with bomb loads, over the Settlement and Concession in which Americans and other non-belligerents were gathered. It was pointed out that the flights were dangerous because they attract anti-aircraft fire and make it possible that repetition might occur of "accidental but disastrous bomb-droppings" of the past—an evident reference to "Bloody Saturday," Aug. 14.

Chinese Ship Will Try to Run Japanese Blockade with Cargo of Sulphur

Carrying an extra supply of fuel to permit a zigzag course in the Pacific, the cargo ship *Haida* sailed from Seattle Oct. 25 with 5,000 tons of sulphur for China. The ship will attempt to run the Japanese blockade of the China coast. "May be we will get killed and may be not," said K. F. Yang, first officer, "but China needs sulphur for gunpowder."

NOTICE

Through an error in the printing department, Page 152 was omitted from several copies of last week's issue (Oct. 23) of *The Review*. Persons who received defective copies may exchange them for corrected copies by writing *The Review* immediately.

New Books of Interest in the Far East

Similarity of Germany in 1914-17 and Japan in 1937

War Memoirs of Robert Lansing, by America's War-Time Secretary of State. Published by The Bobbs-Merrill Co., New York City.

There are so many points of similarity between the events leading up to America's entry into the World War and the events presently transpiring in the Far East that it gives one a shock to realize the current drift—inevitable though it be—so sharply emphasized in reading Secretary of State Robert Lansing's memoirs.

The outbreak of war in Europe and its immediate reaction of almost fanatic pacifism in the United States with peace societies, peace ships and what not attempting to lead public opinion away from partiality and possible involvement . . . Woodrow Wilson being reelected on a platform of "He Kept us out of the War" . . . the continued enlargement of the war zone . . . the inhumanity of the German tactics . . . the German flouting of American rights . . . stories of German atrocities on Belgian non-combatants and unarmed merchant ships . . . continued rejection of American notes and protests couched in diplomatic but insincere terms . . . the rising horror of the American people and the realization that German militarism rampant and victorious in Europe would mean a serious menace to American democracy . . . and the realization that sooner or later America must fight Germany, and the sooner the better lest victory bring millions of mercenaries fighting under the German eagle to engulf the American homeland . . .

The first paragraph of Chapter Two of Mr. Lansing's memoirs reads as follows and we will insert Japan instead of Germany to compare the present situation with the situation in 1916 and 1917.

"The effect upon me personally of the inhumanity of the Germans (Japanese) in their conduct of submarine (aerial bombing) warfare had been such as to remove any doubt that I had previously held that sooner or later the United States would be forced to enter the war on the side of the Allies (China), for it seemed certain at that time that the German (Japanese) Government had no intention of abandoning its lawless methods, whatever civilized nations might think of its conduct.

"Though convinced of this, I believed that it was unwise to attempt to obtain from Congress a declaration of war until American public opinion was practically unanimous in demanding such action . . . Several of my associates in the Government hoped, and I think believed that the United States would not be drawn into the conflict. The President certainly cherished this hope as was indicated in his adherence to a strict neutrality when facts justified its abandonment, and also in his subsequent efforts to become an impartial mediator for the purpose of restoring peace between the belligerents before a military decision had been reached."

Secretary Lansing tells in detail how he waited patiently for American sentiment to crystallize, how the peace organizations and pacifists stormed through the country, organizing parades and demonstrations, but how German atrocities and insults to America, finally roused a nationwide demand for entrance into the war on the side of the Allies against the great German dream of world domination.

Three years were required before American sentiment was sufficiently aroused, before the process of enlightenment had been completed and the American people fully realized that it was a war of Democracy vs. Autocracy and that the United States could not survive in its present form if Autocracy achieved a sweeping victory in Europe.

In this year of 1937, President Roosevelt and Secretary of State Cordell Hull have time and again revealed their belief that the United States cannot survive in a world overrun by murder-mad militarists, fascists, dictators and other enemies of democracy.

Mr. Lansing points out that American foreign policy traditionally has been stronger in the Far East than in Europe. America's entry into the World War was almost her only entanglement in European affairs.

Perusing Mr. Lansing's memoirs, one realizes that it will never take three years for American sentiment to become unanimous in condemnation of Japan, as it did in the case of Germany and the Central Powers.

Japan is now providing the atrocities against civilization in the form of aerial bombardments of defenceless Chinese cities—as Germany provided the submarine horrors—and all Japan must do now is to order the American Ambassador around like a coolie, kill a few score Americans, bomb American hospitals and sneer at American protests, and American sentiment will be clamoring for a much stronger policy towards Japan than was the case during the first few months after outbreak of the European war.

WHEN YOU
THINK OF



PAINTS AND PAINT WORK

H. B. CAMPBELL

1481 Bubbling Well Road

Phone : 34360

In the United States Court for China

FREDA GEYER,

Plaintiff.

vs.

HAROLD WILLIAM
GEYER,

Defendant.

Cause No. 4262

Civil No. 2141

ORDER

Filed at Shanghai, China,

This 18 day of

October, 1937.

William T. Collins, Clerk,
by N. E. Lurton,

Deputy Clerk

The object of this suit is an action for the dissolution of the bonds of matrimony between the parties hereto.

WHEREAS Plaintiff herein has the 18th day of October made application for the substitution of publication for personal service upon the Defendant herein; and

WHEREAS it appears from the files in this case that on the 18th day of October, the summons for Defendant was returned by the United States Marshal for China with the following noted thereon: "Defendant can not be found within the jurisdiction of the court"; and

WHEREAS it appears from the files in this case that on the 18th day of October the Plaintiff herein filed an affidavit to the effect that the defendant does not now reside in China nor has he resided therein at any time during the past year prior to this date, and that Defendant's last-known address was c/o Matson Navigation Co., San Francisco, California.

NOW THEREFORE it is this 18th day of October ORDERED that service upon the defendant be made by publication for three consecutive weeks in the "CHINA WEEKLY REVIEW", a weekly paper of general circulation most likely to reach the defendant.

IT IS FURTHER ORDERED that the defendant cause his appearance to be entered herein on or before the fortieth day, exclusive of Sundays and legal holidays, occurring after the 6th day of November, 1937, the day of last publication of this Order; otherwise the case will be proceeded with as in case of default.

BY THE COURT:

Dated at Shanghai, China

This 18th day of October, 1937.

MILTON J. HELMICK,
Judge.

This book of memoirs emphasizes the fact that the United States will never fight a war to help another foreign country, for the sake of that country, but only for the cause of self-preservation. President Roosevelt, in his Chicago address, made it quite clear that the Administration considers rampant "international outlawry" a menace to world civilization and the United States.

Mr. Lansing has a good deal to say about Japanese ambitions in China for it was during his term of office that Japan presented the notorious Twenty-One Demands upon Yuan Shih-kai, leading to negotiations which finally resulted in the Lansing-Ishii Agreement guaranteeing the territorial and administrative integrity of China.

The United States Government was, at that time, not blind to Japan's aggressive intent against China, and why the Japanese militarists chose that particular time to push her ambitions on the Asian continent.

"The state of world affairs due to the European war convinced the Japanese statesmen that they could take strong action (against China) without serious opposition from the outside provided they did not directly invade the treaty rights of other foreigners," Mr. Lansing writes.

Later on, when the United States was marshalling its forces for the world conflict, "The Japanese were apprehensive lest the military and naval forces being organized in the United States were to be used to check Japan's designs in regard to China," Mr. Lansing recalls.

The Japanese became so worried concerning the mobilization of the army and navy in the United States, in preparation for the fighting in France, that Viscount Ishii called at the State Department to discuss the question.

"Our interview," writes Mr. Lansing, "indicated the interpretation which the Japanese put upon the military activities of the United States and showed the suspicion and alarm which they felt for the success of their plan to become practical suzerain of China, at least of northern China. When the prey was about the slip from their grasp through the intervention of the great Power across the Pacific, that was marshalling a vast military force which they presumed was intended for use in the Far East, as they scoffed at the idea that the United States was preparing to send its soldiers overseas to fight for liberty and democracy in Europe. Japanese psychology could not conceive of a purpose so altruistic as that. So costly a venture without material reward was entirely opposed to their ideas of what a nation would do or ought to do."

There are so many pointed paragraphs with direct bearing upon the situation in the Far East today that we would like to go on quoting the memoirs for many pages, but the best thing to do is to buy the book and read it carefully, cover to cover. We point out a few:

"Japan was opposed to taking a step which would materially interfere with the aggressive policy which it had adopted and for the success of which the conditions seemed especially favorable."

"The American Government had never assented to Japan exerting political influence of any kind over China..."

"Japan made it clear that it did not desire to tie its own hands or place anything in the way of pursuing its policy of encroachment (on China)..."

And so on.

It is well at this time to recall the text of the Lansing-Ishii Agreement, which read:

"The Governments of the United States and Japan recognize that territorial propinquity creates special relations between countries, and consequently, the Government of the United States recognizes that Japan has special interests in China, particularly in the part to which her possessions are contiguous.

"The territorial sovereignty of China, nevertheless, remains unimpaired and the Government of the United States has every confidence in the repeated assurances of the Imperial Japanese Government that while geographical position gives Japan such special interests they have no desire to discriminate against the trade of other nations or to disregard the commercial rights heretofore granted by China in treaties with other powers.

"The Governments of the United States and Japan deny that they have any purpose to infringe in any way the independence or territorial integrity of China and they declare, furthermore, that they always adhere to the principles of the so-called Open Door or equal opportunity for commerce and industry in China.

"Moreover, they mutually declare that they are opposed to the acquisition by any government of any special rights or privileges that would affect the independence or territorial integrity of China or that would deny to the subject or citizens of any country the full enjoyment of equal opportunity in the commerce and industry of China."

The Lansing-Ishii Agreement, Mr. Lansing says, was "the preservation of the independence and territorial integrity of China from external aggression."

Just how much faith and confidence the world can place in Japan's word has been fully shown during the past few months.

E. H. L.

The Return of Capitalism in Soviet-Land

The End of Socialism in Russia, by Max Eastman. Boston: Little, Brown & Company, U.S.\$0.75.

This description of present-day political and economic trends in Russia appeared originally as an article in the February issue of *Harper's* magazine and has now been reprinted in book form.

In concise and biting terms Max Eastman has shown that what measure of socialism had been established in Russia under Lenin has now almost entirely been liquidated, although the leaders of the Stalin bureaucracy still fly the much besmirched banner of Marxism, using its terms as a cover for a return to capitalism.

Max Eastman, a Marxist of long standing, makes out an extremely good case against the Soviet Union's present masters and their policies. Step by step he takes up the condition of education, sex and family relations and the stand on peace and war—the three social fields he considers most vital. In each case he compares Lenin's pronouncements and actions as against those of Stalin. His analysis of the position of women before and after Stalin is particularly telling. After outlining the situation in Russia today, where "mothers in hundreds of thousands are unable to produce or buy milk for their babies" and where the problem of homeless children is openly acknowledged to be unsolved even in the capital "to come out with a program advocating—or more accurately decreeing—large families is not only remote from socialism, but from sane human kindness and sound reason in any of its forms." Ridiculing the re-introduction of the "holy instinct of motherhood" and "knightliness" (a word bitterly hated by all Russian revolutionists in the past) Mr. Eastman goes on to explain the bitter hypocrisy contained in the repeal of the law permitting abortions, "one of woman's few real guarantees of liberty... That it will not be a crime to those who have money and are in the know—those most particularly who issued the decree—is perfectly well understood by all who understand anything. It is class legislation and discriminatory sex legislation in its foulest form."

On the basis of this interpretation Max Eastman concludes that socialism is dead in Russia, and that the regime is hardly distinguishable from Fascism. One cannot help but grant the correctness of the author's facts and the major portion of his analysis of them. Conditions in Russia daily assume greater resemblance to the Fascist order of things, but nevertheless, to conclude that socialism is completely dead in Russia and that Fascism has taken its place seems a slight exaggeration. Increasingly the state of things in Russia comes closer to the order of things in capitalistic society, but society in Russia still retains features which cannot under any circumstances be considered as capitalistic—for example, state ownership of the means of production or the vast number of collective farms, although the author claims that the latter are rapidly being "liquidated."

Max Eastman's little book is brilliantly written—a masterly polemic and a challenge alike to the Soviet Union and to the encircling capitalistic world.

A. D. D.

New Steamers Will Ply Between Japan and Tientsin in Near Future

In the hope of the expected increase in trade with North China, the Kinkai Yusen Kaisha, a subsidiary of the Nippon Yusen Kaisha, has decided to add the s.s. *Kifune Maru*, 2,400-ton freighter, to the line temporarily, officials of the N.Y.K. announced this week. The official added that other steamers will also be placed on the run. The Yamashita Kisen Kaisha, is also waiting for the completion of two vessels now under construction at the Yokohama and Uraga Dockyards. Upon completion, the officials said, these 4,200-ton ships will ply regularly between Japan and Tientsin. Service, they added, "is expected to begin in April next year."

For The Child With A Cold Baby's Own Tablets.

The first indications of a cold are sneezing, running nose, red eyes, which are followed by sore throat, cough, loss of appetite, hoarseness, and feverishness. When the symptoms are first apparent give the child a dose of Baby's Own Tablets. The gentle laxative action of these tablets cleanses the stomach and bowels, and quickly breaks up the threatened cold.

Not only do Baby's Own Tablets relieve colds but they reduce fever, dispel constipation, correct indigestion and colic, check diarrhoea, expel worms. At teething time they are especially beneficial as they ease the pains by settling the stomach, reducing inflammation in the gums and inducing in a perfectly natural way, sound healthful sleep, from which the child awakens, bright, contented and ready for its meal. Baby's Own Tablets are obtainable at all chemists.

SOME RECENT ADDRESSES
OF THE GENERALISSIMO
AND MADAME

CHIANG KAI-SHEK

Six Chapters

- I — Preface—The Sian Incident
 - II — Introduction—Gen. Chiang Kai-shek
 - III — Economic Reconstruction of China
 - IV — Railway Development and National Salvation
 - V — China's New Life Movement
 - VI — Finding the Voice of China
 - VII — A Broadcast to U. S. A. by Madame Chiang
- Seven Full Page Illustrations

A new book of 86 pages, well printed and handsomely bound, can be read in a couple of hours. It provides an excellent insight into recent developments and helps to understand the Sian incident and the recent reunion of Kuomintang and Communists.

Price: \$3.50, including postage, if mailed to addresses in China, Hongkong or Japan.
U. S. \$1.50, if mailed to America or Europe.

Send orders to

THE CHINA WEEKLY REVIEW
OR ANY BOOKSTORE

A.B.C. PRESS, SHANGHAI
Printing
in all its Branches

Your work
should bear
our imprint

SWAN, CULBERTSON & FRITZ

Investment Bankers

and Brokers in Securities and Commodities

Daily New York and London Stock Exchange Service

Sassoon House

Telephone 11200

FOR SALE

A subscriber offers the following files of The Review for sale:

January	— April	1920
May	— July	1920
May	— December	1921
January	— April	1922
May	— August	1922
September	— December	1922
January	— April	1923

Anyone desiring to purchase these copies at a nominal price, please communicate an offer at once to

THE CHINA WEEKLY REVIEW

160 Avenue Edward VII,
Shanghai.

CRADLE OF FUTURE WORLD CONFLICT
DEPICTED IN NEW

MAP OF CHINA AND JAPAN

SHOWING VITAL REGIONS IN ASIA OF
INTERNATIONAL RIVALRIES

60 by 38 In. In Six Colors With English Names

ACCURATE — COMPREHENSIVE

SHOWS ALL EXCEPT WESTERN CHINA, THE
JAPANESE EMPIRE AND ITS MANDATED
ISLANDS AND RUSSIAN SIBERIA EAST OF
LAKE BAIKAL

COMPILED FROM THE LATEST AUTHENTIC
SURVEYS AND MATERIALS FROM CHINESE,
JAPANESE, RUSSIAN AND BRITISH SOURCES

THE JIH-SIN GEOGRAPHICAL INSTITUTE,
PUBLISHERS

Price. \$4.00 in China (Postage extra \$0.15)

G.\$3.00 Abroad (Postage extra \$0.50)

SEND POSTAL MONEY ORDER OR CHECK
TO THE

CHINA WEEKLY REVIEW

160 Avenue Edward VII, Shanghai

BANK OF CHINA

(The Specially Chartered International Exchange Bank of China)

Paid up Capital:.....\$ 40,000,000.00

Total Assets Exceeding:.....\$1,800,000,000.00

Chairman: T. V. Soong

General Manager: Sung Han-chang

**HEAD OFFICE IN SHANGHAI
BRANCHES THROUGHOUT CHINA**